

# REFORMING THE UNITED NATIONS: BUDGET AND MANAGEMENT PERSPECTIVES

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## BRIEFING AND HEARING BEFORE THE COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED NINTH CONGRESS

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THURSDAY, MAY 19, 2005

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON INTERNATIONAL RELATIONS,  
*Washington, DC.*

The Committee met, pursuant to notice, at 9:36 a.m. in room 2172, Rayburn House Office Building, Hon. Henry J. Hyde (Chairman of the Committee) presiding.

Chairman HYDE. The Committee will come to order. The subject of today's briefing and hearing is reform of the United Nations.

Many regard the word "reform" used in relation to the UN with suspicion, viewing it as a vehicle by which the United States can surreptitiously inflict intentional damage on an institution unpopular with the American people. But those who would claim an American antipathy to the United Nations are unfamiliar with the history of the organization.

The United States was the originator of the idea of the United Nations and its birth parent, as it had been decades before with the League of Nations. When the U.S. set out to remake the international system at the end of World War II, it focused much of its energy and overwhelming strength on establishing the United Nations, spending time and resources to persuade allies, enemies, and others to sign on to this new and hopeful vision of how the world could work. And through the decades, despite disagreements large and small, we have been the organization's principal funder and its steady partner. Our criticism has stemmed not from a reflexive opposition but from repeated disappointment at the UN's inability or refusal to live up to our high expectations.

No one is opposed to the UN's role in facilitating diplomacy, mediating disputes, monitoring the peace, feeding the hungry. But we are opposed to legendary bureaucratization, to political grandstanding, to billions of dollars spent on multitudes of programs with meager results, and to the outright misappropriation of funds represented by the emerging scandal regarding the Oil-for-Food Program. And we rightly bristle at the gratuitous anti-Americanism that has become ingrained over decades.

No observer, be they passionate supporter or dismissive critic, can pretend that the current structure and operations of the UN represent an acceptable standard. Even the United Nations itself has acknowledged the need for reform and, to its credit, has put forward a number of useful proposals for consideration. But it cannot be expected to shoulder this burden alone and none who care about the UN would want it to.

The desire for change is a bipartisan one. Republican and Democratic Administrations alike have long called for a more focused and accountable budget, one that reflects what should be the true priorities of the organization, shorn of duplicative, ineffective, and outdated programs. Members on both sides of the aisle in Congress agree that the time has come for far-reaching reforms.

Our efforts must address a wide range of activities, including budget priorities and the sprawling array of programs, personnel issues, and management reform, to name but the largest subjects. I could recite a litany of examples of problems that must be addressed, but I will offer only one, namely that, while the United Nations Public Information Office employs 754 individuals, the Office of the High Commissioner for Human Rights has 450.

The task we face is an extensive one and I have no illusions regarding the difficulties and challenges we face. This Committee will soon take up legislation that will outline U.S. goals and the actions needed to accomplish them, legislation that I am confident will enjoy wide, bipartisan support. I am certain that we shall receive it from all who wish the United Nations to become the institution it was intended to be and to fulfill the mission envisioned by its founders.

I now yield to my friend, the Ranking Democratic Member of this Committee, Mr. Tom Lantos.

Mr. LANTOS. Thank you very much, Mr. Chairman. I want to commend you for calling this important hearing and I want to commend you on your very thoughtful introductory observations.

Mr. Chairman, the way the United Nations works or fails to work has been subject to an unprecedented level of scrutiny in the past year after the revelations of widespread corruption involving the flawed Oil-for-Food Program in Iraq. This intense scrutiny has yielded a steady stream of sickening tales of sex abuse, kickbacks, bribery, embezzlement, influence peddling, document shredding and almost every other form of malfeasance imaginable.

The flood of stories of scandal has forced long overdue recognition of an essential fact about the United Nations. It is a derivative reality reflecting its less than perfect member states in a deeply flawed world. It is not an independent reality, but it reflects the singularly imperfect world with all its shortcomings, injustices, absurdities, corruptions, cruelties, hypocrisies, and tragedies.

While I strongly endorse a joint effort to roll up our sleeves and develop structural and procedural changes in UN management, I urge all of my colleagues to keep in mind that there is no quick fix for an organization composed of 191 member states that in varying degrees have their own shortcomings, injustices, flaws, and hypocrisies of all times.

Mr. Chairman, until the day arrives when the clear majority of United Nations member states assume their international responsibilities and represent democratic values, the United States will have to press this imperfect yet ultimately necessary organization to be accountable, transparent, ethical, and professional in undertaking the critical duties it needs to perform.

It is my hope that our current effort to urge the United Nations to reform its management and structure does not fail to encompass a full bore effort to eradicate the most glaring and sickening defi-

ciency of the organization, its pathological persecution of one member state, the democratic Nation of Israel. Israel's performance and standards are vastly superior to that of most of its non-democratic detractors.

America's UN diplomacy, especially under the leadership of our Ambassadors Daniel Patrick Moynihan and Jeane Kirkpatrick, mounted an occasional full scale offensive against the outrageous and insidious attacks on the democratic State of Israel. A renewed spasm of anti-Israeli activism has polluted critical UN mechanisms, such as the General Assembly and the so-called Commission on Human Rights.

Mr. Chairman, I witnessed first hand as some Arab and Islamic countries launched a campaign of hate at the disastrous 2001 World Conference Against Racism in Durban, South Africa. Only days before the tragic events of 9/11, a sinister coalition of Arab and Islamic countries turned the Durban gathering into a hate-filled orgy of unabashed anti-Semitism, causing a United States walkout, which I had the privilege of leading.

Mr. Chairman, it is time once and for all for our diplomats to apply themselves in a sustained way to defeating the absurd series of anti-Israeli resolutions that continue to crowd the UN agenda, pushing aside long overdue considerations of critical issues such as AIDS, terrorism, climate change, poverty, human rights abuses, and famine.

Mr. Chairman, your statement indicates that, as always, we share many common views, and I look forward to working with you on the comprehensive legislative package you are in the process of putting together to address the most glaring shortcomings of the United Nations. I am also very pleased that you plan to include in your legislation a mandate in line with Secretary-General Kofi Annan's bold proposal to scrap the UN's current disgraceful and laughable Human Rights Commission in favor of a smaller and serious Human Rights Council, explicitly designed to exclude human rights violators from its membership.

Mr. Chairman, my colleagues and I on the Democratic side of the aisle are prepared to work with you on a bipartisan package of mandated reforms. My main caution, as we move forward in this process, is that it will be very important for us to resist the powerful temptation to withhold the payment of our dues in an attempt to leverage needed changes at the United Nations. As we all know, Mr. Chairman, the United States recently completed a multi-year process of paying off a massive debt to the United Nations that accumulated over many years. During that process, we successfully reduced the percentage of the UN budget that U.S. taxpayers are responsible for funding.

Mr. Chairman, at a time when our own national debt is climbing at an alarming rate, do we really want to create another big debt to the UN that eventually will have to be paid? Refusing to pay dues in order to force reform violates our international obligations and makes a mockery of the doctrine of accountability and ethical conduct that we are pressing upon the United Nations.

We live in a world characterized by global problems such as failed states, terrorism, famine, and climate change that require global solutions. As much as some of us might like it to be so, no

nation, not even the United States, is powerful enough to confront all of these challenges on its own. If an overarching international organization did not already exist to deal with these problems, we would have to invent it.

The United Nations, despite all of its flaws, has been indispensable in addressing many global threats. Through the critical work of its affiliated organization, including the World Health Organization (WHO), UNICEF, UNESCO, the UN Development Program, the UN High Commissioner for Refugees, the World Food Program, the International Atomic Energy Agency (IAEA) and others. It is worth our remembering, Mr. Chairman, that just in the past year, the United Nations supervised a first ever national election from scratch in Afghanistan and trained some 150,000 election staff in Iraq. The UN also coordinated a massive tsunami relief and reconstruction effort involving many governments and hundreds of non-governmental organizations (NGOs). The United Nations is helping stabilize Haiti, Sierra Leone, and Liberia and it has mediated the withdrawal of Syrian troops from Lebanon after decades of occupation.

Mr. Chairman, today we are privileged to hear from the Secretary-General's Chief of Staff, a singularly able international public servant and the distinguished head of the former UN Development Program, to detail for us the massive and comprehensive reform plan that Kofi Annan is attempting to implement in New York. We also have the opportunity to hear the Administration's point of view from Mr. Lagon, in addition to two distinguished non-governmental witnesses, Catherine Bertini, and our distinguished former colleague, Senator Tim Wirth, who heads the United Nations Foundation.

I know we all look forward to their testimony as we undertake the complex and overdue task of reforming the United Nations. Thank you, Mr. Chairman.

Chairman HYDE. Thank you, Mr. Lantos. The Chair will entertain 1-minute statements from those that are so disposed to make them, and so I recognize Mr. Smith of New Jersey.

Mr. SMITH. Thank you very much, Mr. Chairman. First of all I want to just acknowledge and thank you, in working very closely with you on UN reform. My Subcommittee, Africa, Global Human Rights and International Operations, has now held a number of hearings focused on at least two of the main areas that need to be reformed. The human rights structures, which regrettably the Human Rights Commission in the past has been a magnet for rogue nations to run interference to holding countries to account for their human rights abuses. There are some very serious ideas that are being put forward to reform and replace that egregiously flawed process. I think the sooner we embrace that, the better.

We are also looking at a top to bottom review of United Nations peacekeeping, with a special emphasis on ensuring that peacekeepers do not engage in any way, shape or form with the exploitation of the local population, especially young girls as we saw in the Congo, where 13-, 14- and 15-year-olds were raped. I am happy to say that the UN and Jane Holl Lute—who did testify on behalf of the United Nations and is doing, I think, a magnificent job—are



trying to make sure that real reform is put into effect so that those who commit these kinds of crimes are held to account.

And then, of course, transparency, IGs—

Chairman HYDE. The gentleman's time has expired.

Mr. SMITH. Thank you very much, Mr. Chairman.

Chairman HYDE. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. I just want to offer my personal welcome to a distinguished and former colleague and certainly, as the President of the United Nations Foundation, former Senator Tim Wirth, who is with us, and my personal welcome to the Chief of Staff of the Secretary-General.

I want to elaborate a little further while I have my 5 minutes to discuss a very serious issue, Mr. Chairman. I do not expect any response from Mr. Brown, but basically on the issue of West Papua, New Guinea. I look forward to discussing this and dialoguing with Mr. Brown at an appropriate time. Thank you, Mr. Chairman.

Chairman HYDE. Thank you. Ms. Ros-Lehtinen?

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman, for this minute. I look forward to hearing from our witnesses and to echo the sentiments of my colleagues, we would like to see so much reform in the United Nations, including an end of secret voting, more transparency, reforming the unbelievable Commission on Human Rights, which is anything but. It has become a place where the most horrific human rights abusers become a member of the Commission so that they can protect themselves from being sanctioned. And to do away with the anti-Israel bias that seems to be part of the institutional culture.

We look forward to hearing further about Secretary-General Annan's plan to reform the institution, but as you know, we will have our own plan, as well, that is a bit more aggressive about what needs to be done in order to give this valuable institution more credibility. Thank you, Mr. Chairman.

Chairman HYDE. Thank you. The gentleman from Massachusetts, Mr. Delahunt.

Mr. DELAHUNT. Yes, thank you, Mr. Chairman. For better than a year, this Committee and several other House and Senate Committees have been investigating the United Nations in discussing the need for reform with a particular focus on the Oil-for-Food Program. And during this time, I have been posing a question that I believe still remains unanswered. And maybe I can elicit an answer from someone here today.

According to the Duelfer report, the Iraqi tyrant received some \$12 billion in illicit oil revenue during the sanctions regime, but only about 15 percent of that amount was derived from manipulation of the Oil-for-Food Program. So while the focus has been on the mismanagement issue surrounding the Oil-for-Food Program, three-fourths of the illegal dollars that went to Saddam Hussein were derived from so-called trade protocols with Jordan, Turkey, Egypt, and Syria.

It is indisputable that these trade protocols were illegal under the sanction regime that was imposed in the aftermath of the first Gulf War.

Chairman HYDE. The gentleman's time has expired.

Mr. DELAHUNT. You know what the question will be. Can somebody please explain this to me?

Chairman HYDE. You are tipping your hand. [Laughter.]

Mr. Flake of Arizona.

Mr. FLAKE. Thank you, Mr. Chairman. I want to thank the Chairman for calling this hearing. I respect the views of the Ranking Minority Member, Mr. Lantos, with regard to tying funding to reform. I would suggest that sometimes that is the only option we have and we cannot take that off the table. It is very much on the table. There is legislation pending that I and others have sponsored that does tie funding to reform, so I am anxious to hear about the reform that is planned. Thank you.

Chairman HYDE. If there are no more requests for an opening statement—is there? Mr. Rohrabacher.

Mr. ROHRABACHER. Yes, and Mr. Delahunt is the Ranking Member in the Subcommittee on Oversight and Investigation and we will be calling Madeleine Albright and others of the Clinton Administration who began the program that he is talking about.

The United Nations has not lived up to the dream reform, fundamental reform has called for. The question is whether the current leadership of the United Nations is going to be part of the solution or part of the problem. As we move forward with this investigation into the Oil-for-Food scandal, I am not so certain what exactly the leadership of the United Nations has decided, whether they are going to be part of the solution or part of the problem. But we know one thing. We are insisting that they are not above the law. Thank you very much.

Chairman HYDE. Mr. McCotter of Michigan.

Mr. MCCOTTER. Thank you, Mr. Chairman and I appreciate the comments of you and the Ranking Member. It is a joy to listen to both of you. I think the question in the minds of many people is going to be: Are we to continue paying dues to an organization that has continued to engage in the practice of corruption which has betrayed its mission? I think that what we have to look at also is the fact that yes, it is a derivative reality, but we must continue to look at the deplorable venality of the bureaucracy that has run it in order to make that determination.

Chairman HYDE. Today's hearing is temporarily suspended and we will proceed with a briefing by Mr. Mark Malloch Brown, Chief of Staff to the Secretary-General of the United Nations. After Mr. Malloch Brown's briefing is concluded, we will resume the hearing.

Mr. Malloch Brown was appointed in January 2005 by Secretary-General Kofi Annan to serve as his Chief of Staff. In this capacity, he assists the Secretary-General in initiatives to improve the performance and overhaul the management of the United Nations. Mr. Malloch Brown continues to serve as Administrator of the United Nations Development Program, a position he has held since July 1999. He also serves as Chair of the United Nations Development Group, a committee consisting of the heads of all UN funds, programs, and departments working on development issues.

Mr. Malloch Brown.

**STATEMENT BY MR. MARK MALLOCH BROWN, CHIEF OF  
STAFF TO THE SECRETARY-GENERAL, UNITED NATIONS**

Mr. BROWN. Thank you very much, Mr. Chairman Hyde and the other distinguished Members of the Committee. And I am very pleased to be with you today. And I apologize that as a non-American citizen working for the UN, it has to be in this briefing format rather than a hearing, but I am sure you know that means no disrespect to this Committee. I hope I can speak as truthfully and honestly and fully to you as I would if I were under oath.

You have been gracious enough to introduce me, so I will not repeat my biography. You have also been kind enough to your staff to agree to, I understand, put the written testimony and its attachments into the proceedings, which allows me to speak more informally to you.

UNDP, the organization that, as you mentioned, I have been leading now for almost 6 years, is actually in many ways almost as big an organization as the Secretary-General's UN Secretariat. It operates all over the world and I have been lucky enough with my colleagues to see very clearly that UN reform is possible. We have almost doubled the resources in the last 5 years. We have built an organization of deeply committed and professional people from all over the world, working very effectively on development and particularly on the promotion of democracy and rebuilding failed states.

And one of our strongest allies in that process of rebuilding UNDP and focusing it in this way has been the United States. It has been a great promoter of that vision, a great supporter of me, at every step of that process. So I am extremely conscious that: (1) reform of the UN is possible—I have some experience of it; and that (2) the United States is the indispensable partner in such reform. I could not have done what I did at UNDP if it had not been for that strong American leadership and partnership.

So I welcome very, very strongly these hearings and your focus, Mr. Chairman, on UN reform. I very much hope that the kind of partnership I saw between the United States and UNDP is replicable here for the UN itself.

The Secretary-General shares that view. I think nobody takes more deeply or personally the failings that the Oil-for-Food scandal have exposed in the management system of the UN and that the Volcker panel and your own congressional probes have dwelt on. He recognizes very, very clearly that the system of management oversight has demonstrated fundamental weaknesses that we do not have adequate audit arrangements and that they need to be strengthened. That the financial disclosure rules for senior officials are not sufficient, that we do not have, as yet, adequate whistle blowing arrangements to insure that any staff member who volunteers information about misdoings in the organization will be protected from unfair recriminations.

So on these and many other management issues, we are already moving full steam to get them fixed. The Deputy Secretary-General leads a reform initiative for the Secretary-General which is focusing on these and many other related issues.

We also, I think, are struggling with frankly one of the most difficult issues, which is that this is an organization where trust in

management has frayed amongst many in the staff. And yet the staff themselves are protected by an outdated set of rules and internal justice arrangements, which give them a much higher degree of job entitlement and job protection than is appropriate for an organization with a changing mission and changing staff needs.

And perhaps most dramatically within this issue of strengthened staff management relations comes the terrible tragedy of sexual exploitation that has been exposed in the Democratic Republic of the Congo, but where we are also now investigating other incidents in Liberia and Haiti. But I want to move to perhaps drawing a slightly different conclusion from this than many of you would conclude. I know it is easy to say that this shows we should cut back on peacekeeping. I draw rather the different conclusion as I do on quite a few reform issues, that if there is something that we agree the UN needs to do, let us fund it to do it right. And peacekeeping is a classic example of the costs of trying to do it on the cheap.

The UN is running 18 peacekeeping operations around the world at a cost of \$4.5 billion, at just half a percent of world defense expenditures. And when you look at it in unit cost terms, it has been done at a much lower cost than the United States or my own country, Britain, spends on similar pacification and peacekeeping operations. And the costs of doing it on the cheap are pretty clear. The different troop contributors do not accept the uniform system of justice, with justice on the spot against delinquent offenders, against sexual exploitation and other issues. We are getting that changed. We cannot afford to put enough military police into these operations to make sure the troops stay off the streets and out of the bars when they are off duty. We do not invest enough in rest and relaxation facilities, let alone rotating troops out frequently enough to make sure that we have the incentives as well as the disciplines to prevent the behaviors that Mr. Smith rightly draws attention to.

So we have a lot to get fixed, but cutting budgets is not the solution for the priorities. You mentioned human rights and I would give that as another example where creating a smaller, more focused Human Rights Council, renewing the machinery, as so many of you have called for, is critical, but you will not do it for less costs. You have to invest in it.

So my argument to you is, let us agree what we think the UN should do and then give it the means, give its leadership, the Secretary-General, the authority to get it done right.

And hence to a final point, if I may, in this introduction about withholding. One hundred and ninety-one members are discussing reform at the UN at the moment, responding to the Secretary-General's argument that the long term reform should focus the UN behind three clear priorities: Development, security, and human rights. And that is an enormously exciting ambition for the organization to reconnect it with the kind of priorities that not just your constituents have, but people everywhere have, from Cambodia to Africa, you name it. These are the things people want from the UN.

But to build that kind of capacity around those three priorities, the U.S. cannot do it alone. You have to negotiate with your allies at the UN to put a majority together for these reform proposals. And there is so much common ground between you and others. My

plea to you would be not to jeopardize it by acting alone. Act with your partners at the UN and let us make these exciting new ideas, like a Human Rights Council, happen. Let us work together to banish once and forever the traces of anti-Semitism in the organization. It is a terribly damaging thing which I feel we have made huge strides on, but it only comes when we can work together as a progressive reformist block inside the organization.

So thank you for your interest in reform, but my plea to you is not to jeopardize our common vision of an effective UN by acting alone. Act with your friends in New York. Thank you.

[The prepared statement of Mr. Brown follows:]

PREPARED STATEMENT OF MR. MARK MALLOCH BROWN, CHIEF OF STAFF TO THE  
SECRETARY-GENERAL, UNITED NATIONS

Chairman Hyde,

Distinguished members of the Committee,

I am honoured to be here today to discuss with you issues of mutual interest concerning the United Nations.

Allow me to introduce myself: I am the Chief of Staff of the Secretary-General of the United Nations. I took office at the beginning of January this year, after serving for more than five years as Administrator of the United Nations Development Programme—a position I will give up when my successor arrives this summer.

When, in circumstances of crisis, the Secretary-General brought me into his team five months ago, he made it clear that he was looking to me to work with him and the Deputy Secretary-General to help advance a serious and ambitious agenda for reform of the United Nations. That is the agenda that has brought me here today.

And I am very glad that it has. Let me be clear: we in the United Nations Secretariat are acutely aware of the reform issues raised by events of recent months—by the troubling revelations on oil-for-food, the related findings of the Volcker panel, your own Congressional probes, and reports of sexual exploitation and abuse in some of our peacekeeping operations.

We know that while we have made enormous strides over the past few years in many operational areas—from building better-functioning country teams for development, to creating the Office for the Coordination of Humanitarian Affairs, which led the response to the recent tsunami disaster—we have some real issues of audit oversight, management accountability, financial disclosure and general performance that we urgently need to get right.

And while the UN has seen more reform under Secretary-General Kofi Annan than under any of his predecessors, he welcomes the fact that you are as intent as he is to ensure that the United Nations is the most effective instrument it can be, in the interests of the people it exists to serve. There are many other countries around the world—some of them also large contributors—who have the same commitment to UN reform. I encourage you to make common cause with them.

The shared objective before us, then, is adapting the United Nations to the needs of the 21st century.

That means nothing less than a transformation of the United Nations—a transformation that is already underway: taking it from a conference-organizing, report-writing Organization, to one equipped to undertake large, complex, global missions—from peacekeeping and peacebuilding in post-conflict societies to humanitarian relief, recovery and rehabilitation following disasters such as the tsunami.

The Secretary-General's reform proposals call for a UN organized behind three priorities: development, security and human rights. It is an action-oriented UN, responding to what citizens everywhere—from Peoria to Phnom Penh, from Luanda to London—want from today's United Nations: a principled, problem-solving, action-oriented body that works with Governments to fix problems that need fixing.

To get there, we see three phases of reform:

*First*, there are immediate management reforms which we are already undertaking—as described in the fact sheet provided as part of my written briefing, with specific timelines for completion. These include measures to improve the performance of senior management; enhance oversight and accountability; ensure ethical conduct, and increase transparency, including more rigorous financial disclosures by senior officials.

Among other things, that means measures to better protect whistleblowers, so that staff feel free to come forward with their concerns, confident that they will be

protected against retribution; and a host of concrete steps to stamp out the heinous acts of sexual exploitation and abuse which have inflicted such wounds on our field operations.

We have also asked Member States to conduct a comprehensive review to strengthen of our Office of Internal Oversight Services. In the meantime, OIOS reports are now available to Member States, while we are seeking immediate and significant increases in resources for investigations.

In other words, Mr. Chairman, transparency and accountability are the watchwords for the United Nations in the new century. The Volcker inquiry is a case in point. As Mr. Volcker himself has said, "few institutions have freely subjected themselves to the intensity of scrutiny entailed in the Committee's work . . . I don't know of any other institution that has been scrubbed quite as hard as this one."

*Second*, we envisage a number of systemic measures, targeted at disentangling the gridlock at the centre of staff-management relations: frayed trust in management, together with a lot of entrenched employment rights that block staff turnover, new recruitment and promotions on merit where needed. This leads to a real difficulty in making change work. We need to tackle the policies, the culture and the institutional set-up that have bred this deadlocked workplace.

And *third*, we are advocating a longer-term agenda, as described in the Secretary-General's report, *In Larger Freedom*. That agenda, which will require the approval of Member States, encompasses a much larger set of fundamental changes than I can cover fully today.

Under that agenda, the Secretary-General has proposed reform of all the major organs of the United Nations—to build a better, more representative Security Council, a new, much-needed Human Rights Council, and a reformed Economic and Social Council to track and promote progress towards our shared goal of halving global poverty by 2015.

The Secretary-General has asked Member States to conduct a comprehensive review of all UN mandates more than five years old, to ascertain if they are still meaningful, or if resources could be better spent elsewhere. We cannot strengthen new areas such as peacemaking, peacebuilding, humanitarian action and human rights if we do not prune elsewhere. If we are to undertake new tasks to address emerging priorities, we must be prepared to end others that no longer serve real purposes.

And he has asked for the authority and resources to pursue a one-time staff buyout, carefully calibrated and managed to realign our staff profile with today's realities.

Mr. Chairman,

If we agree on the symptoms, however, we may disagree on some fundamental aspects of the diagnosis: for me, the United Nations is not oversized, over-resourced, or under-supervised by its Member States.

Rather, from where I sit, the United Nations is currently stretched too thin, in both material and human resources, to be able to do the job that people and Governments around the world want it to do—and have a right to expect it to do.

Let me take one example—sexual exploitation and abuse by peacekeepers. This is clearly a terrible and shameful blot on UN peacekeeping. As I said earlier, we are taking a number of steps to wipe it out and to ensure that these actions do not go unpunished. But when we look into what happened, we find national contingents of troop-contributing countries often not accepting the results of some investigations conducted by the UN; weak or malfunctioning judicial systems in the mission area; inadequate military police to keep troops off the streets and out of the bars; and no real investment in recreation and welfare arrangements.

That is not surprising, perhaps, when you consider that the UN is conducting 18 peacekeeping operations around the world, involving almost 67,000 uniformed personnel, on a budget of four and a half billion dollars. That budget is equivalent to less than half of one per cent of the world's military spending—and means a unit cost for peacekeeping that is a fraction of that spent by the US and UK in comparable operations. It's a bargain—but perhaps too much of one.

So while there is in some quarters an understandable temptation to respond to UN failures by threatening to cut peacekeeping or other contributions, I would argue that what is really needed, for a long-term, sustainable solution, is for the United States and fellow Member States to agree what they want the UN to do: then fund it properly to allow the UN to do the task well.

I would also argue that just as the United Nations is under-funded, so is it in some ways *over-supervised*. In many areas—most notably personnel decisions—it suffers from a bewildering array of inter-governmental constraints that often amount to micromanagement. The Secretary-General has less autonomy to move resources from one department to another than the heads of some US Government

agencies. As head of UNDP, reporting to an Executive Board of Member States, I had much more autonomy—but also, much more accountability for results—than the Secretary-General in the Secretariat, who is mired in a web of Governmental committees and outdated rules that impede his freedom to manage.

At the heart of our reform agenda, then, is the organizing idea of how a Secretary-General can be given back the power to manage, while at the same time Governments recover the strategic tools to ensure accountability for results.

Mr. Chairman,

To paraphrase the words of a distinguished American, I hope these hearings are laying the groundwork for a US–UN relationship where your Committee can help the United States Government make the United Nations an institution “when right, to be kept right; when wrong, to be put right.” I hope we can work together to carry out that mission.

Thank you very much.

*Appendixes:*

1. UN Management reforms: 2005
2. Report of the Secretary-General—*In larger freedom: towards development, security and human rights for all*

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## APPENDIX

### UN MANAGEMENT REFORMS: 2005

#### MANAGEMENT REFORM MEASURES TO STRENGTHEN ACCOUNTABILITY, ETHICAL CONDUCT AND MANAGEMENT PERFORMANCE

The importance of effective multilateralism and the unique role of the United Nations in development, security and human rights is reaffirmed in the Secretary-General’s “In Larger Freedom” report submitted to the General Assembly in March. That report includes broad proposals to accelerate management reform of the Secretariat to make it more flexible, transparent, accountable and equipped to deal with the needs and challenges of the 21st Century. These measures are part of a longer-term series of reforms launched in 1997 and reinforced in particular with three packages of change initiatives since then: namely, the Brahimi report on UN peace operations, the 2002 Agenda for Further Change and last year’s overhaul of the staff security system.

The current phase of reform comes at a particularly crucial time for the UN. The Secretariat has faced an unprecedented series of organizational challenges which have exposed flaws in the way it does business. As a result, the UN must take real action now where it is in the Secretary-General’s authority to do so directly, particularly in the critical areas of management, oversight and accountability. The reform initiatives summarized below are already underway and most will be fully implemented within the next few months, with the exception of those that require Member States approval. While the preparation for many of the steps predates the problems revealed over the past year, the initiatives also explicitly seek to address both the serious concerns expressed by UN staff in last year’s Integrity Perception Survey, and the recommendations of the Independent Inquiry Committee led by Paul Volcker into the Oil-for-Food Programme.

#### *I. Improving the Performance of Senior Management*

A series of steps are being taken to streamline and improve the decision-making processes of the Secretariat, open up the recruitment process and enhance training and development of senior officials.

- *Introduction of executive-level decision-making committees*

The existing Senior Management Group, established in 1997 and comprising all Heads of Secretariat Departments and UN Offices, Funds and Programmes, has improved coordination and coherence within the UN family. In practice, however, while having real utility as an information-sharing body, it has proved too large for effective and timely decision-making. As a result, two new, senior committees chaired by the Secretary-General—one dealing with Policy issues and the other on Management—have been created to enhance the quality and speed of top-level decision-making. The *modus operandi* of these committees will ensure clear, action-oriented outcomes with better definition of responsibility areas and timelines for implementation.

*Status:* The Policy Committee had its initial meeting May 3 and will now meet weekly. The first meeting of the Management Committee will take place before the end of May and it will thereafter meet monthly.

- *Selection system for senior officials*

Historically, the selection process for senior UN officials has been opaque and not sufficiently focused on the growing needs for management as well as political expertise in candidates. To address this, a transparent new selection system has been introduced to ensure a much wider search for qualified candidates and a rigorous, open selection process against pre-determined criteria for all new heads of UN Funds and Programmes. This will help build a new generation of UN senior leaders, recruited on the basis of merit and a proven combination of substantive, political, managerial and leadership skills. The Department of Peacekeeping Operations (DPKO) is also developing new criteria for the appointments of its senior-level field managers.

*Status:* The first high-level appointments made using the system—new heads of the United Nations Development Programme and the Office of Internal Oversight Services—were announced in April. A UN High Commissioner for Refugees will also be announced in May.

- *Induction of senior officials*

Given the findings of the Volcker Inquiry and other instances of alleged misconduct, it is clear that a more robust approach is needed to ensure that once senior officials are appointed, they are properly briefed on the broader system of UN rules, regulations, codes of conduct and managerial systems. The UN is therefore developing a formal induction programme to provide in-depth training in these areas for senior officials of the Secretariat.

*Status:* DPKO's first induction session is scheduled for June; the Office of Human Resources and Management will launch a pilot induction program for the Secretariat in the second half of 2005.

## II. Enhancing Oversight and Accountability

Perhaps the most obvious shortcomings identified by the Volcker Inquiry and other crises are in the area of oversight and accountability. The current "control" systems for monitoring management performance and preventing fraud and corruption are insufficient and must be significantly enhanced.

- *The Management Performance Board*

In order to ensure a rigorous monitoring of individual offices and managers, a Management Performance Board (MPB) has been created. It will systematically assess the performance of senior managers, bring to the Secretary-General's attention instances which require his attention and advise him on suggested corrective action, where necessary.

*Status:* The membership and the terms of reference of the MPB have been confirmed. The Deputy Secretary-General will chair the Board and comprise two sitting Under-Secretaries-General and one former senior official. The heads of the Department of Management and the Office of Internal Oversight Services will serve as *ex officio* members. The first meeting will be convened before the end of June.

- *The Oversight Committee for the UN Secretariat*

To address shortcomings identified by both the General Assembly and the Volcker Inquiry and to increase the effectiveness of the oversight function, a new Oversight Committee is also being established. The Committee, which will have three internal and two external members, will ensure that appropriate management action is taken to implement the recommendations of the Office of Internal Oversight Services, the Board of Audit and the Joint Inspection Unit. A new tracking system is being piloted for better follow-up of the 500-plus important audit recommendations issued each year.

*Status:* The UN has initiated selection of members, who will include two individuals outside the Secretariat. Terms of reference for the Committee are being finalized in a formal administrative issuance. The Committee will convene for its first meeting this summer and meet quarterly thereafter.

- *Comprehensive review of OIOS*

In November 2004, the Secretary-General recommended to the General Assembly that the Office of Internal Oversight Services (OIOS) undergo a comprehensive external review to strengthen its independence and authority while ensuring it is fully equipped in terms of resources, expertise and capacity to carry out all aspects of its work. That recommendation was reiterated in the Secretary-General's "In Larger Freedom" report. In addition, the Gen-



eral Assembly has asked the Secretary-General to report on how to guarantee the full operational independence of OIOS in the upcoming session this fall.  
*Status:* The Secretary-General's recommendation is currently before the General Assembly. Preparation of the Secretary-General's report to the General Assembly is underway.

- *Enhanced Anti-Fraud and Corruption Policy*

The UN already has in place various disparate rules and policies designed to prevent fraud and corruption. However, following a recommendation of the UN's external auditors, it is now consolidating them into a stand-alone, comprehensive anti-fraud and corruption policy. The policy will draw on existing best practices, including the model recently developed by the World Bank.

*Status:* The UN Controller is leading a working group to draft the policy. An interim report will be ready by June with the final policy scheduled for completion in September.

### III. Ensuring Ethical Conduct

In direct response to the concerns about fairness and integrity raised in last year's Integrity Survey among UN staff and to prevent the reoccurrence of such damaging incidents as the exploitation reported in certain peacekeeping missions, misconduct of senior officials and harassment in the workplace, the UN is implementing concrete steps.

- *Whistleblower protection*

The results of the Integrity Survey indicated that staff had little confidence in the Organization's ability to provide sufficient protection for whistleblowers. A review of best practice was conducted, using the expertise of a consultant recommended by Transparency International. The Secretary-General has now issued a robust new whistleblower policy and is seeking the views of staff before formally promulgating it. The policy is designed to provide staff a viable mechanism so that they feel free to come forward with their concerns with the confidence that they will be protected against retribution. The release of the draft policy was accompanied by a circular outlining to staff all existing avenues for the reporting of alleged misconduct.

*Status:* Staff consultations are already underway and the new policy will be promulgated as soon as this process is completed.

- *Incorporating Ethics into staff training programmes*

The Office of Human Resources and Management is testing a new training module in the form of a CD-ROM on integrity and ethics provisions, which was adapted from an initiative launched by the UN Office in Vienna. The intention is that all levels of Secretariat staff would be required to complete the module. In addition, ethics modules have been added to all existing training programmes for UN staff and managers.

*Status:* The CD-ROM will be distributed to all UN staff by September.

- *Responses to allegations of sexual misconduct by field personnel*

The Organization is taking systematic disciplinary action where individual cases of sexual exploitation and/or abuse have been identified. In the Democratic Republic of Congo alone, 147 peacekeepers have been investigated over the past 16 months; five UN civilian staff have been fired and 77 "blue helmets" have been expelled from the mission. Investigations there are ongoing, as are investigations in Liberia and Haiti. In addition, a number of short, medium and longer-term initiatives are underway:

- The introduction of a unified standard of conduct across all categories of peacekeeping personnel. Training has been integrated into all mission induction programmes. Credible complaints mechanisms have been established in all missions.
- A global review on the state of discipline in peacekeeping missions was undertaken by OIOS in late March-April, the results of which are currently being analyzed. In addition, missions are ensuring that victims of sexual abuse are referred to existing emergency assistance in the mission area (medical, psycho-social, legal).
- In the medium term, an enhanced capacity to address misconduct will include the establishment of dedicated units both at UNHQ and in the field to ensure prevention, identification of cases as well as compliance and enforcement of standards. Personnel Conduct Officers and/or focal points have been appointed in missions, with in-country networks developed to better coordinate and share information.

- In the longer term, the Secretary-General will undertake a comprehensive review of the welfare and recreation needs for all peacekeeping personnel as well as the development of a comprehensive strategy for victim assistance. New agreements with troop-contributing countries and UN partners will be developed and promulgated. In addition, a group of legal experts will be examining ways to ensure that UN staff and experts on mission are held responsible for the consequences of criminal acts committed in countries where no functioning judicial system exists.

*Status:* A request for additional resources is currently before the General Assembly (expected outcome: mid-June). Resources are being requested for significant strengthening of the UN's investigative capacity and for the creation of conduct units in all peacekeeping missions. A UNHQ conduct unit will be established within the Department of Peacekeeping Operations by 1 July 2005. A multidisciplinary workshop on victim assistance is being planned for June 2005.

*Financial Disclosure by senior officials*

The UN Department of Management is preparing recommendations to expand the scope of financial disclosure required of senior officials, including those employed on a short-term basis or under special conditions. The appropriate mechanisms for monitoring these disclosures are also under review for immediate strengthening.

*Status:* A draft document is long prepared and will be considered by the Management Committee in June.

- *Enhancement of Codes of Conduct / Conflict of Interest rules*

While the UN has in place a detailed Code of Conduct, it has not been disseminated to staff in an effective manner. The Office of Human Resources Management (OHRM) is reviewing the practices of other organizations in disseminating such information in more accessible and easy-to-read forms (web pages, handbooks, orientation guides, etc). Special additional rules are also being developed for staff engaged in procurement activities. A UN Supplier Code of Conduct is also being formulated.

*Status:* Materials should be produced and ready for dissemination in the fall.

- *Protection against harassment in the workplace*

While the UN has a strict sexual harassment policy in place, OHRM is now finalizing a new, broader policy to encompass wider forms of harassment for consultation with the Staff Representative bodies. It is also assessing more effective ways of disseminating the provisions of this new policy.

*Status:* This policy will be discussed with staff representatives at the next Staff Management Coordination Committee later this year.

#### IV. Increasing Transparency

- *Access to Information*

Currently, there is no established policy for determining which UN documents should be accessible outside the Secretariat. While a large number of documents are currently accessible, the UN needs a clear and consistent policy that increases transparency while ensuring confidentiality where needed. The Office of Legal Affairs has carried out an assessment of best practices in public administrations around the world. The new Management Committee will review this work and provide guidance on the best way forward.

*Status:* A new policy will be formulated during the course of the fall for discussion and action by Member States.

- *External validation of the UN procurement system*

The Volcker Inquiry was critical of various UN procurement cases in the early years of the Oil-for-Food Programme. Since the mid-1990s, a major overhaul of the UN's procurement process has been undertaken, making it more transparent and addressing many shortcomings identified in a number of different reviews. In the light of issues raised by the Volcker Inquiry, the UN Department of Management is commissioning a new review to benchmark the current system against the outside practice to ensure that the improvements meet the highest global standards.

*Status:* A competitive selection process for an external consultancy to undertake the review was completed in early May and the full review is expected to be completed by the end of June.

- *Policy guidance on pro-bono contracts*

A working group led by the Office of Legal Affairs is drafting a new policy on the provision of pro-bono goods and services offered to the UN, building on a body of disparate existing practice and precedent.

*Status:* The policy guidance is due for completion by the end of June.

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to the outcomes of the major United Nations conferences and  
summits in the economic, social and related fields**

**Follow-up to the outcome of the Millennium Summit**

## **In larger freedom: towards development, security and human rights for all**

### **Report of the Secretary-General**

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## I. Introduction: a historic opportunity in 2005

1. Five years into the new millennium, we have it in our power to pass on to our children a brighter inheritance than that bequeathed to any previous generation. We can halve global poverty and halt the spread of major known diseases in the next 10 years. We can reduce the prevalence of violent conflict and terrorism. We can increase respect for human dignity in every land. And we can forge a set of updated international institutions to help humanity achieve these noble goals. If we act boldly — and if we act together — we can make people everywhere more secure, more prosperous and better able to enjoy their fundamental human rights.

2. All the conditions are in place for us to do so. In an era of global interdependence, the glue of common interest, if properly perceived, should bind all States together in this cause, as should the impulses of our common humanity. In an era of global abundance, our world has the resources to reduce dramatically the massive divides that persist between rich and poor, if only those resources can be unleashed in the service of all peoples. After a period of difficulty in international affairs, in the face of both new threats and old ones in new guises, there is a yearning in many quarters for a new consensus on which to base collective action. And a desire exists to make the most far-reaching reforms in the history of the United Nations so as to equip and resource it to help advance this twenty-first century agenda.

3. The year 2005 presents an opportunity to move decisively in this direction. In September, world leaders will come together in New York to review progress made since the United Nations Millennium Declaration,<sup>1</sup> adopted by all Member States in 2000. In preparation for that summit, Member States have asked me to report comprehensively on the implementation of the Millennium Declaration. I respectfully submit that report today. I annex to it a proposed agenda to be taken up, and acted upon, at the summit.

4. In preparing the present report, I have drawn on my eight years' experience as Secretary-General, on my own conscience and convictions, and on my understanding of the Charter of the United Nations whose principles and purposes it is my duty to promote. I have also drawn inspiration from two wide-ranging reviews of our global challenges — one from the 16-member High-level Panel on Threats, Challenges and Change, whom I asked to make proposals to strengthen our collective security system (see A/59/565); the other from the 250 experts who undertook the Millennium Project, which required them to produce a plan of action to achieve the Millennium Development Goals by 2015.

5. In the present report, I have resisted the temptation to include all areas in which progress is important or desirable. I have limited myself to items on which I believe action is both vital and achievable in the coming months. These are reforms that are within reach — reforms that are actionable if we can garner the necessary political will. With very few exceptions, this is an agenda of highest priorities for September. Many other issues will need to be advanced in other forums and on other occasions. And, of course, none of the proposals advanced here obviate the need for urgent action this year to make progress in resolving protracted conflicts that threaten regional and global stability.

**A. The challenges of a changing world**

6. In the Millennium Declaration, world leaders were confident that humanity could, in the years ahead, make measurable progress towards peace, security, disarmament, human rights, democracy and good governance. They called for a global partnership for development to achieve agreed goals by 2015. They vowed to protect the vulnerable and meet the special needs of Africa. And they agreed that the United Nations needed to become more, not less, actively engaged in shaping our common future.

7. Five years later, a point-by-point report on the implementation of the Millennium Declaration would, I feel, miss the larger point, namely, that new circumstances demand that we revitalize consensus on key challenges and priorities and convert that consensus into collective action.

8. Much has happened since the adoption of the Millennium Declaration to compel such an approach. Small networks of non-State actors — terrorists — have, since the horrendous attacks of 11 September 2001, made even the most powerful States feel vulnerable. At the same time, many States have begun to feel that the sheer imbalance of power in the world is a source of instability. Divisions between major powers on key issues have revealed a lack of consensus about goals and methods. Meanwhile, over 40 countries have been scarred by violent conflict. Today, the number of internally displaced people stands at roughly 25 million, nearly one third of whom are beyond the reach of United Nations assistance, in addition to the global refugee population of 11 to 12 million, and some of them have been the victims of war crimes and crimes against humanity.

9. Many countries have been torn apart and hollowed out by violence of a different sort. HIV/AIDS, the plague of the modern world, has killed over 20 million men, women and children and the number of people infected has surged to over 40 million. The promise of the Millennium Development Goals still remains distant for many. More than one billion people still live below the extreme poverty line of one dollar per day, and 20,000 die from poverty each day. Overall global wealth has grown but is less and less evenly distributed within countries, within regions and in the world as a whole. While there has been real progress towards some of the Goals in some countries, too few Governments — from both the developed and developing world — have taken sufficient action to reach the targets by 2015. And while important work has been done on issues as diverse as migration and climate change, the scale of such long-term challenges is far greater than our collective action to date to meet them.

10. Events in recent years have also led to declining public confidence in the United Nations itself, even if for opposite reasons. For instance, both sides of the debate on the Iraq war feel let down by the Organization — for failing, as one side saw it, to enforce its own resolutions, or as the other side saw it, for not being able to prevent a premature or unnecessary war. Yet most people who criticize the United Nations do so precisely because they think the Organization is vitally important to our world. Declining confidence in the institution is matched by a growing belief in the importance of effective multilateralism.

11. I do not suggest that there has been no good news in the last five years. On the contrary, there is plenty we can point to which demonstrates that collective action can produce real results, from the impressive unity of the world after 11 September

2001 to the resolution of a number of civil conflicts, and from the appreciable increase of resources for development to the steady progress achieved in building peace and democracy in some war-torn lands. We should never despair. Our problems are not beyond our power to meet them. But we cannot be content with incomplete successes and we cannot make do with incremental responses to the shortcomings that have been revealed. Instead, we must come together to bring about far-reaching change.

## **B. Larger freedom: development, security and human rights**

12. Our guiding light must be the needs and hopes of peoples everywhere. In my Millennium Report, "We the peoples" (A/54/2000), I drew on the opening words of the Charter of the United Nations to point out that the United Nations, while it is an organization of sovereign States, exists for and must ultimately serve those needs. To do so, we must aim, as I said when first elected eight years ago, "to perfect the triangle of development, freedom and peace".

13. The framers of the Charter saw this very clearly. In setting out to save succeeding generations from the scourge of war, they understood that this enterprise could not succeed if it was narrowly based. They therefore decided to create an organization to ensure respect for fundamental human rights, establish conditions under which justice and the rule of law could be maintained, and "promote social progress and better standards of life in larger freedom".

14. I have named the present report "In larger freedom" to stress the enduring relevance of the Charter of the United Nations and to emphasize that its purposes must be advanced in the lives of individual men and women. The notion of larger freedom also encapsulates the idea that development, security and human rights go hand in hand.

15. Even if he can vote to choose his rulers, a young man with AIDS who cannot read or write and lives on the brink of starvation is not truly free. Equally, even if she earns enough to live, a woman who lives in the shadow of daily violence and has no say in how her country is run is not truly free. Larger freedom implies that men and women everywhere have the right to be governed by their own consent, under law, in a society where all individuals can, without discrimination or retribution, speak, worship and associate freely. They must also be free from want — so that the death sentences of extreme poverty and infectious disease are lifted from their lives — and free from fear — so that their lives and livelihoods are not ripped apart by violence and war. Indeed, all people have the right to security and to development.

16. Not only are development, security and human rights all imperative; they also reinforce each other. This relationship has only been strengthened in our era of rapid technological advances, increasing economic interdependence, globalization and dramatic geopolitical change. While poverty and denial of human rights may not be said to "cause" civil war, terrorism or organized crime, they all greatly increase the risk of instability and violence. Similarly, war and atrocities are far from the only reasons that countries are trapped in poverty, but they undoubtedly set back development. Again, catastrophic terrorism on one side of the globe, for example an attack against a major financial centre in a rich country, could affect the development prospects of millions on the other by causing a major economic

downturn and plunging millions into poverty. And countries which are well governed and respect the human rights of their citizens are better placed to avoid the horrors of conflict and to overcome obstacles to development.

17. Accordingly, we will not enjoy development without security, we will not enjoy security without development, and we will not enjoy either without respect for human rights. Unless all these causes are advanced, none will succeed. In this new millennium, the work of the United Nations must move our world closer to the day when all people have the freedom to choose the kind of lives they would like to live, the access to the resources that would make those choices meaningful and the security to ensure that they can be enjoyed in peace.

### C. The imperative of collective action

18. In a world of interconnected threats and challenges, it is in each country's self-interest that all of them are addressed effectively. Hence, the cause of larger freedom can only be advanced by broad, deep and sustained global cooperation among States. Such cooperation is possible if every country's policies take into account not only the needs of its own citizens but also the needs of others. This kind of cooperation not only advances everyone's interests but also recognizes our common humanity.

19. The proposals contained in the present report are designed to strengthen States and enable them to serve their peoples better by working together on the basis of shared principles and priorities — which is, after all, the very reason the United Nations exists. Sovereign States are the basic and indispensable building blocks of the international system. It is their job to guarantee the rights of their citizens, to protect them from crime, violence and aggression, and to provide the framework of freedom under law in which individuals can prosper and society develop. If States are fragile, the peoples of the world will not enjoy the security, development and justice that are their right. Therefore, one of the great challenges of the new millennium is to ensure that all States are strong enough to meet the many challenges they face.

20. States, however, cannot do the job alone. We need an active civil society and a dynamic private sector. Both occupy an increasingly large and important share of the space formerly reserved for States alone, and it is plain that the goals outlined here will not be achieved without their full engagement.

21. We also need agile and effective regional and global intergovernmental institutions to mobilize and coordinate collective action. As the world's only universal body with a mandate to address security, development and human rights issues, the United Nations bears a special burden. As globalization shrinks distances around the globe and these issues become increasingly interconnected, the comparative advantages of the United Nations become ever more evident. So too, however, do some of its real weaknesses. From overhauling basic management practices and building a more transparent, efficient and effective United Nations system to revamping our major intergovernmental institutions so that they reflect today's world and advance the priorities set forth in the present report, we must reshape the Organization in ways not previously imagined and with a boldness and speed not previously shown.



22. In our efforts to strengthen the contributions of States, civil society, the private sector and international institutions to advancing a vision of larger freedom, we must ensure that all involved assume their responsibilities to turn good words into good deeds. We therefore need new mechanisms to ensure accountability — the accountability of States to their citizens, of States to each other, of international institutions to their members and of the present generation to future generations. Where there is accountability we will progress; where there is none we will underperform. The business of the summit to be held in September 2005 must be to ensure that, from now on, promises made are promises kept.

#### **D. Time to decide**

23. At this defining moment in history, we must be ambitious. Our action must be as urgent as the need, and on the same scale. We must face immediate threats immediately. We must take advantage of an unprecedented consensus on how to promote global economic and social development, and we must forge a new consensus on how to confront new threats. Only by acting decisively now can we both confront the pressing security challenges and win a decisive victory in the global battle against poverty by 2015.

24. In today's world, no State, however powerful, can protect itself on its own. Likewise, no country, weak or strong, can realize prosperity in a vacuum. We can and must act together. We owe it to each other to do so, and we owe each other an account of how we do so. If we live up to those mutual commitments, we can make the new millennium worthy of its name.

## **II. Freedom from want**

25. The past 25 years have seen the most dramatic reduction in extreme poverty that the world has ever experienced. Spearheaded by progress in China and India, literally hundreds of millions of men, women and children all over the world have been able to escape the burdens of extreme impoverishment and begin to enjoy improved access to food, health care, education and housing.

26. Yet at the same time, dozens of countries have become poorer, devastating economic crises have thrown millions of families into poverty, and increasing inequality in large parts of the world means that the benefits of economic growth have not been evenly shared. Today, more than a billion people — one in every six human beings — still live on less than a dollar a day, lacking the means to stay alive in the face of chronic hunger, disease and environmental hazards. In other words, this is a poverty that kills. A single bite from a malaria-bearing mosquito is enough to end a child's life for want of a bed net or \$1 treatment. A drought or pest that destroys a harvest turns subsistence into starvation. A world in which every year 11 million children die before their fifth birthday and three million people die of AIDS is not a world of larger freedom.

27. For centuries, this kind of poverty has been regarded as a sad but inescapable aspect of the human condition. Today, that view is intellectually and morally indefensible. The scale and scope of progress made by countries in every region of the world has shown that, over a very short time, poverty and maternal and infant

mortality can be dramatically reduced, while education, gender equality and other aspects of development can be dramatically advanced. The unprecedented combination of resources and technology at our disposal today means that we are truly the first generation with the tools, the knowledge and the resources to meet the commitment, given by all States in the Millennium Declaration, "to making the right to development a reality for everyone and to freeing the entire human race from want".

#### A. A shared vision of development

28. The multifaceted challenge of development cuts across a vast array of interlinked issues — ranging from gender equality through health and education to the environment. The historic United Nations conferences and summits held in the 1990s helped build a comprehensive normative framework around these linkages for the first time by mapping out a broad vision of shared development priorities. These laid the groundwork for the Millennium Summit to set out a series of time-bound targets across all these areas — ranging from halving extreme poverty to putting all children into primary school, all with a deadline of 2015 — that were later crystallized into the Millennium Development Goals (see box 1).

##### **Box 1** **The Millennium Development Goals**

###### **Goal 1** **Eradicate extreme poverty and hunger**

###### *Target 1*

Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

###### *Target 2*

Halve, between 1990 and 2015, the proportion of people who suffer from hunger

###### **Goal 2** **Achieve universal primary education**

###### *Target 3*

Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

###### **Goal 3** **Promote gender equality and empower women**

###### *Target 4*

Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015

**Goal 4**  
**Reduce child mortality**

*Target 5*

Reduce by two thirds, between 1990 and 2015, the under-five mortality rate

**Goal 5**  
**Improve maternal health**

*Target 6*

Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio

**Goal 6**  
**Combat HIV/AIDS, malaria and other diseases**

*Target 7*

Have halted by 2015 and begun to reverse the spread of HIV/AIDS

*Target 8*

Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

**Goal 7**  
**Ensure environmental sustainability**

*Target 9*

Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

*Target 10*

Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation

*Target 11*

By 2020, to have achieved a significant improvement in the lives of at least 100 million slum-dwellers

**Goal 8**  
**Develop a global partnership for development**

*Target 12*

Develop further an open, rule-based, predictable, non-discriminatory trading and financial system (includes a commitment to good governance, development and poverty reduction — both nationally and internationally)

*Target 13*

Address the special needs of the least developed countries (includes tariff- and quota-free access for least developed countries exports; enhanced programme of debt relief for heavily indebted poor countries)

and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction)

*Target 14*

Address the special needs of landlocked countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly)

*Target 15*

Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

*Target 16*

In cooperation with developing countries, develop and implement strategies for decent and productive work for youth

*Target 17*

In cooperation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries

*Target 18*

In cooperation with the private sector, make available the benefits of new technologies, especially information and communications

29. The Millennium Development Goals have galvanized unprecedented efforts to meet the needs of the world's poorest, becoming globally accepted benchmarks of broader progress embraced by donors, developing countries, civil society and major development institutions alike. As such, they reflect an urgent and globally shared and endorsed set of priorities that we need to address at the September 2005 summit. Thanks to the work done by the Millennium Project, whose report, *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*,<sup>7</sup> was delivered to me in January 2005, there is now an action plan to achieve them. There are also encouraging signs that the critical ingredient — political will — is emerging. The real test will be whether broad-based actions by developed and developing countries to address this agenda are supported by global development assistance being more than doubled over the next few years, for this is what will be necessary to help achieve the Goals.

30. At the same time, we need to see the Millennium Development Goals as part of an even larger development agenda. While the Goals have been the subject of an enormous amount of follow-up both inside and outside the United Nations, they clearly do not in themselves represent a complete development agenda. They do not directly encompass some of the broader issues covered by the conferences of the 1990s, nor do they address the particular needs of middle-income developing countries or the questions of growing inequality and the wider dimensions of human

development and good governance, which all require the effective implementation of conference outcomes.

31. Nevertheless, the urgency of achieving the Millennium Development Goals cannot be overstated. Despite progress in many areas, overall the world is falling short of what is needed, especially in the poorest countries (see box 2). As the Millennium Project's report makes clear, our agenda is still achievable globally and in most or even all countries — but only if we break with business as usual and dramatically accelerate and scale up action until 2015, beginning over the next 12 months. Success will require sustained action across the entire decade between now and the deadline. That is because development successes cannot take place overnight and many countries suffer significant capacity constraints. It takes time to train the teachers, nurses and engineers, to build the roads, schools and hospitals, and to grow the small and large businesses able to create the jobs and income needed.

**Box 2**  
**Progress on the Millennium Development Goals**

Progress in achieving the Millennium Development Goals has been far from uniform across the world. The greatest improvements have been in East Asia and South Asia, where more than 200 million people have been lifted out of poverty since 1990 alone. Nonetheless, nearly 700 million people in Asia still live on less than \$1 a day — nearly two thirds of the world's poorest people — while even some of the fastest-growing countries are falling short on non-income Goals, such as protecting the environment and reducing maternal mortality. Sub-Saharan Africa is at the epicentre of the crisis, falling seriously short on most Goals, with continuing food insecurity, disturbingly high child and maternal mortality, growing numbers of people living in slums and an overall rise of extreme poverty despite some important progress in individual countries. Latin America, the transition economies, and the Middle East and North Africa, often hampered by growing inequality, have more mixed records, with significant variations in progress but general trends falling short of what is needed to meet the 2015 deadline.

Progress in the achievement of the different Goals has also varied. Although sub-Saharan Africa and Oceania are lagging in almost all areas, elsewhere major advances are being made in reducing hunger, improving access to drinking water and expanding the number of children in primary school. Child mortality rates have also generally declined, but progress has slowed in many regions and has even been reversed in parts of Central Asia. Meanwhile, despite dramatic progress in some countries overall access to sanitation is off track, particularly in Africa and Asia, where the number of slum-dwellers is also increasing rapidly. Maternal mortality remains unacceptably high throughout the developing world, as do the incidence and prevalence of HIV/AIDS, tuberculosis and malaria. Gender equality remains unfulfilled, the 2005 education parity target was missed in many countries. Environmental degradation is an extreme concern in all developing regions.

32. In 2005, the development of a global partnership between rich and poor countries — which is itself the eighth Goal, reaffirmed and elaborated three years ago at the International Conference on Financing for Development, held in Monterrey, Mexico, and the World Summit on Sustainable Development, held in Johannesburg, South Africa — needs to become a reality. It is worth recalling the terms of that historic compact. **Each developing country has primary responsibility for its own development — strengthening governance, combating corruption and putting in place the policies and investments to drive private-sector-led growth and maximize domestic resources available to fund national development strategies. Developed countries, on their side, undertake that developing countries which adopt transparent, credible and properly costed development strategies will receive the full support they need, in the form of increased development assistance, a more development-oriented trade system and wider and deeper debt relief.** All of this has been promised but not delivered. That failure is measured in the rolls of the dead — and on it are written millions of new names each year.

#### **B. National strategies**

33. Extreme poverty has many causes, ranging from adverse geography through poor or corrupt governance (including neglect of marginalized communities) to the ravages of conflict and its aftermath. Most pernicious are poverty traps that leave many of the poorest countries languishing in a vicious circle of destitution even when they have the benefit of honest, committed Governments. Lacking basic infrastructure, human capital and public administration, and burdened by disease, environmental degradation and limited natural resources, these countries cannot afford the basic investments needed to move onto a new path of prosperity unless they receive sustained, targeted external support.

34. As a first step towards addressing these problems, countries need to adopt bold, goal-oriented policy frameworks for the next 10 years, aimed at scaling up investments to achieve at least the quantitative Millennium Development Goals targets. **To that end, each developing country with extreme poverty should by 2006 adopt and begin to implement a national development strategy bold enough to meet the Millennium Development Goals targets for 2015.** This strategy should be anchored in the practical scaling up of public investments, capacity-building, domestic resource mobilization and, where needed, official development assistance. This recommendation may not sound revolutionary, but by linking actions directly to the needs derived from ambitious and monitorable targets, its implementation would mark a fundamental breakthrough towards greater boldness and accountability in the fight against poverty.

35. It is important to stress that this does not require the creation of any new instruments. All that is required is a different approach to their design and implementation. Countries that already have poverty reduction strategy papers — nationally owned and developed three-year spending frameworks agreed with the World Bank and other international development partners — should align them with a 10-year framework of policies and investments consistent with achievement of the Millennium Development Goals. In middle-income countries and others where the Goals are already within reach, Governments should adopt a “Millennium Development Goals-plus” strategy, with more ambitious targets.

#### A framework for action

36. However well crafted on paper, investment strategies to achieve the Millennium Development Goals will not work in practice unless supported by States with transparent, accountable systems of governance, grounded in the rule of law, encompassing civil and political as well as economic and social rights, and underpinned by accountable and efficient public administration. Many of the poorest countries will need major capacity-building investments to put in place and maintain the necessary infrastructure and to train and employ qualified personnel. But without good governance, strong institutions and a clear commitment to rooting out corruption and mismanagement wherever it is found, broader progress will prove elusive.

37. Similarly, without dynamic, growth-oriented economic policies supporting a healthy private sector capable of generating jobs, income and tax revenues over time, sustainable economic growth will not be achieved. This requires significantly increased investments in human capital and development-oriented infrastructure, such as energy, transport and communications. In addition, small and medium-sized firms require a favourable legal and regulatory environment, including effective commercial laws that define and protect contracts and property rights, a rational public administration that limits and combats corruption, and expanded access to financial capital, including microfinance. As two important Commissions — the World Commission on the Social Dimension of Globalization<sup>3</sup> and the Commission on the Private Sector and Development<sup>4</sup> — reported to me last year, this is crucial for providing decent jobs that both provide income and empower the poor, especially women and younger people.

38. Civil society organizations have a critical role to play in driving this implementation process forward to “make poverty history”. Not only is civil society an indispensable partner in delivering services to the poor at the scope required by the Millennium Development Goals but it can also catalyse action within countries on pressing development concerns, mobilizing broad-based movements and creating grass-roots pressure to hold leaders accountable for their commitments. Internationally, some civil society organizations can help create or galvanize global partnerships on specific issues or draw attention to the plight of indigenous peoples and other marginalized groups, while others can work to share best practices across countries through community exchanges and providing technical support and advice to Governments.

#### National investment and policy priorities

39. Each national strategy needs to take into account seven broad “clusters” of public investments and policies which directly address the Millennium Development Goals and set the foundation for private sector-led growth. As elaborated in the Millennium Project, all are essential for meeting the Goals, as well as wider development needs.

#### *Gender equality: overcoming pervasive gender bias*

40. Empowered women can be some of the most effective drivers of development. Direct interventions to advance gender equality include increasing primary school completion and secondary school access for girls, ensuring secure tenure of property to women, ensuring access to sexual and reproductive health services, promoting

equal access to labour markets, providing the opportunity for greater representation in government decision-making bodies and protecting women from violence.

*The environment: investing in better resource management*

41. Countries should adopt time-bound environmental targets, particularly for such priorities as forest replanting, integrated water resources management, ecosystem preservation and curbing pollution. To achieve targets, increased investments in environmental management need to be accompanied by broad policy reforms. Progress also depends on sector strategies, including strategies for agriculture, infrastructure, forestry, fisheries, energy and transport, which all require environmental safeguards. Further, improving access to modern energy services is critical for both reducing poverty and protecting the environment. There is also a need to ensure that enhancing access to safe drinking water and sanitation forms a part of development strategies.

*Rural development: increasing food output and incomes*

42. Smallholder farmers and others living in impoverished rural areas require soil nutrients, better plant varieties, improved water management and training in modern and environmentally sustainable farming practices, along with access to transport, water, sanitation and modern energy services. **In sub-Saharan Africa, these elements must be brought together to launch a twenty-first century African green revolution commencing in 2005.**

*Urban development: promoting jobs, upgrading slums and developing alternatives to new slum formation*

43. For the large and growing number of urban poor, core infrastructure services, such as energy, transport, pollution control and waste disposal, are needed alongside improved security of tenure and community-led efforts to build decent housing and support urban planning. To this end, local authorities need to be strengthened and work closely with organizations of the urban poor.

*Health systems: ensuring universal access to essential services*

44. Strong health systems are required to ensure universal access to basic health services, including services to promote child and maternal health, to support reproductive health and to control killer diseases, such as AIDS, tuberculosis and malaria (see box 3). This requires sufficient investments, large numbers of motivated and adequately paid health workers, scaled-up infrastructure and supplies, strong management systems and the elimination of user fees.

*Education: ensuring universal primary, expanded secondary and higher education*

45. To advance education at all levels, parents and communities should be able to hold their schools accountable while Governments improve curricula, educational quality and mode of delivery; build human resource and infrastructure capacity, where needed; and institute incentives for bringing vulnerable children to school, including the elimination of user fees.



*Science, technology, and innovation: building national capacities*

46. To increase countries' indigenous capacity for science and technology, including information and communications technology, Governments should establish scientific advisory bodies, promote infrastructure as an opportunity for technological learning, expand science and engineering faculties, and stress development and business applications in science and technology curricula.

**Box 3**  
**The Tragedy of HIV/AIDS**

The HIV/AIDS pandemic now kills more than 3 million people each year and poses an unprecedented threat to human development and security. The disease is wrecking millions of families and leaving tens of millions of orphans. More than just a public health crisis, AIDS undermines economic and social stability, ravaging health, education, agriculture and social welfare systems. While placing an enormous drag on economic growth, it also weakens governance and security structures, posing a further threat.

The epidemic demands an exceptional response. In the absence of a cure, only the mass mobilization of every section of society — unheard of to date in the history of public health — can begin to reverse AIDS. This requires comprehensive prevention, education, treatment and impact mitigation programmes, which in turn will not succeed without the personal commitment of Heads of State and Government to support and lead genuinely multisectoral AIDS responses.

Since 2000, the world has begun to achieve some successes in the fight against AIDS. More Governments have made it a strategic priority and set up integrated administrative structures to lead and coordinate the struggle. The Global Fund to Fight AIDS, Tuberculosis and Malaria, which I called for in 2001, now plays a leading role in the global effort, while also focusing attention on and fighting other killer pandemics. Altogether, as of December 2004, 700,000 people in the developing world were receiving antiretroviral treatment — a nearly 60 per cent increase in just five months. This reflects the priority that the international community has now placed on rapidly expanding treatment, and shows that a real difference can be made in a very short time.

However, much remains to be done if we are to have any realistic hope of reducing the incidence of HIV and providing proper antiretroviral treatment to all who need it within the coming decade. Many Governments have yet to tackle the disease and its stigma publicly, or are not sufficiently committed to the kind of frank discussion and action on gender equality that is needed. In particular, resources for AIDS remain far short of what is needed to mount a full inclusive response. National Governments, as well as multilateral and bilateral donors, must now take steps to meet these costs.

Four years ago, I called on the international community to provide \$7 billion to \$10 billion annually to address the projected needs to fight HIV/AIDS in the developing world. This amount has not been fully

funded. In the meantime, the disease has spread. As a result, we have an ever increasing gap between what is needed and what is provided. This cannot continue. We need a more ambitious and balanced strategy of both prevention and treatment. **Therefore, I call on the international community to provide urgently the resources needed for an expanded and comprehensive response to HIV/AIDS, as identified by the Joint United Nations Programme on HIV/AIDS (UNAIDS) and its partners, and to provide full funding for the Global Fund to Fight AIDS, Tuberculosis and Malaria.**

### C. Making goal 8 work: trade and financing for development

47. For many middle-income countries and some poorer ones, most of the resources needed to fund these strategies can and should be mobilized domestically from reallocated government revenues, household contributions and private-sector investment, supplemented by borrowing. But in most low-income countries and in nearly all the least developed countries, the maximum that can be raised by such efforts will fall far short of what is needed to reach the Millennium Development Goals. According to the Millennium Project, the investment costs for the Goals alone in a typical low-income country will be roughly \$75 per capita in 2006, rising to approximately \$140 in 2015 (in constant dollar terms). These small sums, equivalent to one third to one half of their annual per capita incomes, are far beyond the resources of most low-income countries. To create the conditions for greater private investment and an "exit strategy" from aid in the longer term for these countries, a big push in development assistance is needed.

#### Aid

48. One of the most encouraging shifts in recent years has been the increase in official development assistance (ODA), after a decade of steady decline in the 1990s. Expressed as a percentage of developed countries' gross national income, global ODA currently stands at 0.25 per cent — still well short of the 0.33 per cent reached in the late 1980s, let alone the long-standing target of 0.7 per cent that was reaffirmed in the Monterrey Consensus in 2002.<sup>5</sup> On the basis of recent commitments to future increases by several donors, annual ODA flows should increase to about \$100 billion by 2010 — nearly double their levels at the time of the Monterrey Conference. But a significant portion of this amount reflects debt write-offs and dollar depreciation rather than net long-term finance, and in any case the total would still be about \$50 billion short of the ODA levels that the Millennium Project calculates will be needed just to meet the Millennium Development Goals, let alone broader development priorities.

49. Happily, there are signs of further progress. A new group of donors has emerged, including new members of the European Union (EU) and some of the wealthier developing countries, such as Brazil, China and India, all of which are increasingly offering their expertise to other developing countries through technical cooperation. Five donor countries have already reached the 0.7 per cent target and six more have recently set timetables to achieve it. **Developed countries that have not already done so should establish timetables to achieve the 0.7 per cent**

**target of gross national income for official development assistance by no later than 2015, starting with significant increases no later than 2006 and reaching 0.5 per cent by 2009.**

50. While there are clearly capacity constraints in many developing countries, we must ensure that those countries that are ready receive an immediate scale up in assistance. **Starting in 2005, developing countries that put forward sound, transparent and accountable national strategies and require increased development assistance should receive a sufficient increase in aid, of sufficient quality and arriving with sufficient speed to enable them to achieve the Millennium Development Goals.**

51. The most direct way to increase ODA volumes is to allocate increasing shares of donor countries' national budgets to aid. However, because the achievement of the Millennium Development Goals requires a sharp upward turn in overall ODA spending over the next few years, new ways to finance a steep increase in the short and medium terms are well worth exploring. Several longer-term ideas for innovative sources of finance to complement ODA have been proposed, and an important initiative led by Brazil, Chile, France, Germany and Spain is currently exploring some of them. But what is needed now is a mechanism to ensure the immediate scale-up of financing. The proposed International Finance Facility has the potential to do this by "front-loading" future flows of ODA while still using existing disbursement channels. **The international community should in 2005 launch an International Finance Facility to support an immediate front-loading of ODA, underpinned by scaled-up commitments to achieving the 0.7 per cent ODA target no later than 2015. In the longer term, other innovative sources of finance for development should also be considered to supplement the Facility.**

52. These steps can and should be supplemented by immediate action to support a series of "quick wins" — relatively inexpensive, high-impact initiatives with the potential to generate major short-term gains and save millions of lives. These range from the free mass distribution of malaria bed nets and effective antimalaria medicines to the expansion of home-grown school meal programmes using locally produced food and the elimination of user fees for primary education and health services. Such rapid steps would provide a critical support for national Millennium Development Goals strategies. They would generate rapid momentum and early success stories that would broaden commitment to the Millennium Development Goals, although they would not be a substitute for longer-term, sustained investments.

53. At the same time, urgent steps are needed to increase the quality, transparency and accountability of ODA. Aid should be linked to the local needs identified in countries' national strategies and to the achievement of the Millennium Development Goals, not to the interests of suppliers in donor countries. This is obviously for the benefit of developing countries, but developed countries themselves also have an interest in being able to show their taxpayers that aid is effective. **In follow-up to the March 2005 Paris High-level Forum on Aid Effectiveness, donor countries should set, by September 2005, timetables and monitorable targets for aligning their aid delivery mechanisms with partner countries' Millennium Development Goals-based national strategies.** This includes commitments to Millennium Development Goals-based investment plans, a 2015 time horizon, predictable multi-year funding, dramatically simplified

procedures and direct budget support for countries with appropriate mechanisms in place.

#### Debt

54. Closely related to ODA is the issue of external debt. Under the Heavily Indebted Poor Countries Initiative (HIPC), \$54 billion has so far been committed for debt relief to 27 countries that have reached decision or completion points. But even though the evidence is persuasive that this unlocks resources which are critical for the Millennium Development Goals, it still falls far short of what is needed. **To move forward, we should redefine debt sustainability as the level of debt that allows a country to achieve the Millennium Development Goals and reach 2015 without an increase in debt ratios.** For most HIPC countries, this will require exclusively grant-based finance and 100 per cent debt cancellation, while for many heavily indebted non-HIPC and middle-income countries, it will require significantly more debt reduction than has yet been on offer. Additional debt cancellation should be achieved without reducing the resources available to other developing countries, and without jeopardizing the long-term financial viability of international financial institutions.

#### Trade

55. While trade does not obviate the need for large scale ODA-supported development investments, an open and equitable trading system can be a powerful driver of economic growth and poverty reduction, especially when combined with adequate aid. Development therefore rightly lies at the heart of the World Trade Organization (WTO) Doha round of multilateral trade negotiations. At present, developing countries are often denied a level playing field to compete in global trade because rich countries use a variety of tariffs, quotas and subsidies to restrict access to their own markets and shelter their own producers. The December 2005 WTO ministerial meeting offers a chance, which must not be missed, to map out agreement on how to correct these anomalies. An urgent priority is to establish a timetable for developed countries to dismantle market access barriers and begin phasing out trade-distorting domestic subsidies, especially in agriculture. **To address this priority, the Doha round of multilateral trade negotiations should fulfil its development promise and be completed no later than 2006. As a first step, Member States should provide duty-free and quota-free market access for all exports from the least developed countries.**

56. The Monterrey Consensus stressed that for many developing countries, particularly the poorest, which rely on a few commodity products, there is also a supply-side problem which manifests itself in a lack of capacity to diversify exports, a vulnerability to price fluctuations and a steady decline in terms of trade. To build trade competitiveness, national Millennium Development Goals strategies need to emphasize investments in agricultural productivity, trade-related infrastructure and competitive export industries, particularly for the least developed countries, landlocked developing countries and small island developing States. While a number of initiatives exist to address these problems, encourage diversification and reduce vulnerability to commodity price fluctuations, support for them has fallen far short of what is necessary.

#### D. Ensuring environmental sustainability

57. We fundamentally depend on natural systems and resources for our existence and development. Our efforts to defeat poverty and pursue sustainable development will be in vain if environmental degradation and natural resource depletion continue unabated. At the country level, national strategies must include investments in improved environmental management and make the structural changes required for environmental sustainability. For many environmental priorities, such as shared waterways, forests, marine fisheries and biodiversity, regional and global efforts must be strengthened. We already have one encouraging example showing how global solutions can be found. Thanks to the Montreal Protocol on Substances that Deplete the Ozone Layer,<sup>6</sup> the risk of harmful radiation appears to be receding — a clear demonstration of how global environmental problems can be managed when all countries make determined efforts to implement internationally agreed frameworks. Today, three major challenges for the international community require particularly urgent action, as described below.

##### Desertification

58. The degradation of more than a billion hectares of land has had a devastating impact on development in many parts of the world. Millions of people have been forced to abandon their lands as farming and nomadic lifestyles have become unsustainable. Hundreds of millions more are at risk of becoming environmental refugees. To combat desertification, the international community must support and implement the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa.<sup>7</sup>

##### Biodiversity

59. Another serious concern is loss of biodiversity, which is occurring at an unprecedented rate within and across countries. Worrying in its own right, this trend also severely undermines health, livelihoods, food production and clean water, and increases the vulnerability of populations to natural disasters and climate change. To reverse these trends, all Governments should take steps, individually and collectively, to implement the Convention on Biological Diversity<sup>8</sup> and the Johannesburg commitment to achieve a significant reduction in the rate of loss of biodiversity by 2010.<sup>9</sup>

##### Climate change

60. One of the greatest environmental and development challenges in the twenty-first century will be that of controlling and coping with climate change. The overwhelming majority of scientists now agree that human activity is having a significant impact on the climate. Since the advent of the industrial era in the mid-eighteenth century, atmospheric concentrations of greenhouse gases have increased significantly, the earth has warmed considerably and sea levels have risen measurably. The 1990s were the warmest decade on record, forcing glaciers and Arctic ice to retreat. With the concentration of greenhouse gases projected to rise still further over the next century, a corresponding increase in the global mean surface temperature is likely to trigger increased climate variability and greater incidence and intensity of extreme weather events, such as hurricanes and droughts.

The countries most vulnerable to such changes — small island developing States, coastal nations with large numbers of people living in low-lying areas, and countries in the arid and semi-arid tropics and subtropics — are least able to protect themselves. They also contribute least to the global emissions of greenhouse gases. Without action, they will pay a bitter price for the actions of others.

61. The entry into force in February 2005 of the 1997 Kyoto Protocol<sup>10</sup> to the United Nations Framework Convention on Climate Change<sup>11</sup> is an important step towards dealing with global warming, but it only extends until 2012. The international community must agree on stabilization targets for greenhouse gas concentrations beyond that date. Scientific advances and technological innovation have an important role to play in mitigating climate change and in facilitating adaptation to the new conditions. They must be mobilized now if we are to develop the tools needed in time. In particular, research and development funding for renewable energy sources, carbon management and energy efficiency needs to increase substantially. Policy mechanisms, such as carbon trading markets, should also be expanded. As agreed at Johannesburg, the primary responsibility for mitigating climate change and other unsustainable patterns of production and consumption must lie with the countries that contribute most to the problems. **We must develop a more inclusive international framework beyond 2012, with broader participation by all major emitters and both developed and developing countries, to ensure a concerted globally defined action, including through technological innovation, to mitigate climate change, taking into account the principle of common but differentiated responsibilities.**

#### E. Other priorities for global action

62. To address broader development needs, action is also needed in a number of other areas, as set out below.

##### Infectious disease surveillance and monitoring

63. The overall international response to evolving pandemics has been shockingly slow and remains shamefully underresourced. Malaria continues to rage throughout the tropical world, despite the availability of highly effective measures for prevention and treatment. Many infectious diseases that ravage developing countries today, notably HIV/AIDS and tuberculosis, pose severe risks for the entire world, particularly in the light of emerging drug resistance. Both familiar and new infectious diseases require a concerted international response. The severe acute respiratory syndrome (SARS) outbreak of 2003 drew attention to the fact that even long-distance flight times are shorter than the incubation periods for many infectious diseases, so that any one of the 700 million passengers who take international flights each year can be an unwitting disease carrier.

64. The rapid response to SARS also showed that the spread of infectious disease can be contained when effective global institutions, such as the World Health Organization (WHO), work in close partnership with functioning national health agencies and expert technical institutions. No State could have achieved this degree of containment on its own. **To strengthen existing mechanisms for timely and effective international cooperation, I call on Member States to agree on the revision of the International Health Regulations at the World Health Assembly**

to be held in May 2005. To contain the risk of future outbreaks, greater resources should also be given to the WHO Global Outbreak Alert and Response Network so that it can coordinate the response of a broad international partnership in support of national health surveillance and response systems.

#### Natural disasters

65. The devastating impact of the Indian Ocean tsunami has reminded us all of the vulnerability of human life to natural disasters, and also of the disproportionate effect they have on poor people. Unless more determined efforts are made to address the loss of lives, livelihoods and infrastructure, disasters will become an increasingly serious obstacle to the achievement of the Millennium Development Goals. The World Conference on Disaster Reduction, held in early 2005, adopted the Hyogo Framework for Action 2005-2015, which identifies strategic objectives and priority areas to reduce disaster risk in the next 10 years. We must proceed with its implementation.

66. The countries of the Indian Ocean region, with the help of the United Nations and others, are now taking steps to establish a regional tsunami early warning system. Let us not forget, however, the other hazards that people in all regions of the world are exposed to, including storms, floods, droughts, landslides, heat waves and volcanic eruptions. **To complement broader disaster preparedness and mitigation initiatives, I recommend the establishment of a worldwide early warning system for all natural hazards, building on existing national and regional capacity.** To assist in its establishment, I shall be requesting the International Strategy for Disaster Reduction secretariat to coordinate a survey of existing capacities and gaps, in cooperation with all United Nations system entities concerned, and I look forward to receiving its findings and recommendations. When disasters strike, we also need improved rapid response arrangements for immediate humanitarian relief, which are considered in section V below.

#### Science and technology for development

67. **To help drive economic development and to enable developing countries to forge solutions to their own problems, a significantly increased global effort is required to support research and development to address the special needs of the poor in the areas of health, agriculture, natural resource and environmental management, energy and climate.** Two particular priorities should be to mount a major global initiative on research in tropical diseases and to provide additional support to the Consultative Group on International Agricultural Research (CGIAR) for research on tropical agriculture.

68. Information and communication technologies can significantly contribute to the achievement of the Millennium Development Goals. To fully utilize the potential of information and communication technology (ICT), we need to address the digital divide, including through voluntary financing mechanisms, such as the recently launched Digital Solidarity Fund.

#### Regional infrastructure and institutions

69. Regional infrastructure and policy cooperation are essential for supporting economic development. This is particularly so when developing countries are landlocked or small islands, both of which need special support. But other countries

that may simply have small populations or are dependent on their neighbours for transport, food, water or energy, also need assistance. International donors should support regional cooperation to deal with these problems, and developing countries should make such cooperation an integral part of their national strategies. This should cover not only economic cooperation but also mechanisms for regional political dialogue and consensus-building, such as the African Peer Review Mechanism and the New Partnership for Africa's Development (NEPAD).

#### **Global institutions**

70. The international financial institutions are essential to ensuring development around the world and successful implementation of the Millennium Development Goals. I encourage them to ensure that the country programmes they support are ambitious enough to achieve the Millennium Development Goals. In addition, these institutions and their shareholders should consider what changes they might undergo in order to better reflect the changes in the world's political economy since 1945. This should be done in the context of the Monterrey Consensus agreement to broaden and strengthen the participation of developing and transition countries in international economic decision-making and norm-setting. The Bretton Woods institutions have already taken some steps to strengthen the voice and participation of developing countries. But more significant steps are needed to overcome the widespread perception among developing countries that they are underrepresented in both bodies, which in turn tends to put their legitimacy in doubt.

#### **Migration**

71. Today, more people live outside their countries of origin than at any time in history and their numbers are expected to increase in the future. Migration offers many opportunities — to the migrants themselves, to the countries that receive younger workforce and also — notably in the form of remittance payments, which have grown spectacularly in recent years — to their countries of origin. But it also involves many complex challenges. It can contribute simultaneously to unemployment in one region or sector and to labour shortages and “brain drains” in another. If not carefully managed, it can also provoke acute social and political tensions. The impact of these trends is not yet well understood, but I believe that the report of the Global Commission on International Migration, which I shall receive later in 2005, will provide some valuable guidance. The high-level dialogue on the subject to be held by the General Assembly in 2006 will provide an important opportunity to tackle the hard questions on this issue.

### **F. The implementation challenge**

72. The urgent task in 2005 is to implement in full the commitments already made and to render genuinely operational the framework already in place. The principles of mutual responsibility and mutual accountability that underpinned the Monterrey Consensus are sound and need to be translated into deeds. The September summit must produce a pact for action, to which all nations subscribe and on which all can be judged. The Millennium Development Goals must no longer be floating targets, referred to now and then to measure progress. They must inform, on a daily basis, national strategies and international assistance alike. Without a bold breakthrough in 2005 that lays the groundwork for a rapid progress in coming years, we will miss



the targets. Let us be clear about the costs of missing this opportunity: millions of lives that could have been saved will be lost; many freedoms that could have been secured will be denied; and we shall inhabit a more dangerous and unstable world.

73. By the same token, development would be at best hindered and at worst reversed in a world riven by violent conflict or mesmerized by the fear of terrorism and weapons of mass destruction, or one in which human rights were trampled, the rule of law was disregarded and citizens' views and needs were ignored by unresponsive and unrepresentative Governments. Progress on the issues covered in sections III and IV below, therefore, is essential to realizing the objectives set out above, just as development is itself an indispensable underpinning for longer-term security, human rights and the rule of law.

#### **Box 4** **The special needs of Africa**

The problems discussed in the present report are global in nature, and solutions must be global. Yet almost all of them affect Africa disproportionately. If we are to achieve truly global solutions, we must recognize Africa's special needs, as world leaders did in the Millennium Declaration. From action to achieve the Millennium Development Goals to better collective capacity to build peace and strengthen States, the special needs of Africa lie at the heart of every part of the present report.

There have been some positive developments in Africa in the past five years. Today, more African States have democratically elected Governments than ever before and the number of military coups on the continent has declined significantly. Some long-standing conflicts, such as those in Angola and Sierra Leone, have been resolved. From Uganda to Mozambique, many individual countries are experiencing rapid and sustained economic and social recovery. And throughout the continent, ordinary people are organizing themselves and making their voices heard.

And yet much of Africa — especially South of the Sahara — continues to suffer the tragic effects of persistent violent conflict, extreme poverty and disease. Some 2.8 million refugees — and fully half of the world's 24.6 million internally displaced people — are victims of conflict and upheaval in Africa. Africa continues to lag behind the rest of the developing world in achieving the Millennium Development Goals. About three quarters of the world's AIDS deaths every year occur in Africa, with women the most affected. The high prevalence of HIV/AIDS in many African countries is both a human tragedy and a major obstacle to development. Of the one million or more people in the world killed by malaria each year, roughly 90 per cent are killed in sub-Saharan Africa, most of them children less than five years old. Much of sub-Saharan Africa continues to face a combination of high transport costs and small markets, low agricultural productivity, a very high disease burden and slow diffusion of technology from abroad. All these make it particularly prone to persistent poverty.

Today, African States are addressing these problems with new energy and determination. They are adopting more robust development strategies to meet the Millennium Development Goals by 2015. Africa is building a new architecture of institutions, including the African Union and the New Partnership for Africa's Development, through which to prevent, manage and resolve violent conflict, promote good governance and democracy, and create the right conditions for its economies to grow and thrive in a sustainable way.

As the Commission on Africa set up by the United Kingdom reported in March 2005, Africa's leaders and people will need special support from the rest of the world to succeed in these pioneering efforts. The international community must respond to this need. It must give tangible and sustained support to African countries and regional and subregional organizations, in a spirit of partnership and solidarity. This means ensuring follow-through on existing and needed commitments on debt relief, opening markets and providing greatly increased official development assistance. It also means contributing troops for peacekeeping operations and strengthening the capacity of African States to provide security for their citizens and to meet their needs.

### III. Freedom from fear

74. While, in the development sphere, we suffer from weak implementation, on the security side, despite a heightened sense of threat among many we lack even a basic consensus and implementation, where it occurs, is all too often contested.

75. Unless we can agree on a shared assessment of these threats and a common understanding of our obligations in addressing them, the United Nations will lag in providing security to all of its members and all the world's people. Our ability to assist those who seek freedom from fear will then be partial at best.

#### A. A vision of collective security

76. In November 2003, alarmed by the lack of agreement among Member States on the proper role of the United Nations in providing collective security — or even on the nature of the most compelling threats that we face — I set up the High-level Panel on Threats, Challenges and Change. The Panel delivered its report, "A more secure world: our shared responsibility" (A/59/565), in December 2004.

77. I fully embrace the broad vision that the report articulates and its case for a more comprehensive concept of collective security: one that tackles new threats and old and that addresses the security concerns of all States. I believe that this concept can bridge the gap between divergent views of security and give us the guidance we need to face today's dilemmas.

78. The threats to peace and security in the twenty-first century include not just international war and conflict but civil violence, organized crime, terrorism and

weapons of mass destruction. They also include poverty, deadly infectious disease and environmental degradation since these can have equally catastrophic consequences. All of these threats can cause death or lessen life chances on a large scale. All of them can undermine States as the basic unit of the international system.

79. Depending on wealth, geography and power, we perceive different threats as the most pressing. But the truth is we cannot afford to choose. Collective security today depends on accepting that the threats which each region of the world perceives as most urgent are in fact equally so for all.

80. In our globalized world, the threats we face are interconnected. The rich are vulnerable to the threats that attack the poor and the strong are vulnerable to the weak, as well as vice versa. A nuclear terrorist attack on the United States or Europe would have devastating effects on the whole world. But so would the appearance of a new virulent pandemic disease in a poor country with no effective health-care system.

81. On this interconnectedness of threats we must found a new security consensus, the first article of which must be that all are entitled to freedom from fear, and that whatever threatens one threatens all. Once we understand this, we have no choice but to tackle the whole range of threats. We must respond to HIV/AIDS as robustly as we do to terrorism and to poverty as effectively as we do to proliferation. We must strive just as hard to eliminate the threat of small arms and light weapons as we do to eliminate the threat of weapons of mass destruction. Moreover, we must address all these threats preventively, acting at a sufficiently early stage with the full range of available instruments.

82. We need to ensure that States abide by the security treaties they have signed so that all can continue to reap the benefit. More consistent monitoring, more effective implementation and, where necessary, firmer enforcement are essential if States are to have confidence in multilateral mechanisms and use them to avoid conflict.

83. These are not theoretical issues but issues of deadly urgency. If we do not reach a consensus on them this year and start to act on it, we may not have another chance. This year, if ever, we must transform the United Nations into the effective instrument for preventing conflict that it was always meant to be by acting on several key policy and institutional priorities.

84. We must act to ensure that catastrophic terrorism never becomes a reality. This will require a new global strategy, which begins with Member States agreeing on a definition of terrorism and including it in a comprehensive convention. It will also require all States to sign, ratify, implement and comply with comprehensive conventions against organized crime and corruption. And it will require from them a commitment to take urgent steps to prevent nuclear, chemical and biological weapons getting into the hands of terrorist groups.

85. We must revitalize our multilateral frameworks for handling threats from nuclear, biological and chemical weapons. The threat posed by these weapons is not limited to terrorist use. The existence of multilateral instruments to promote disarmament and prevent proliferation among States has been central to the maintenance of international peace and security ever since those instruments were agreed. But they are now in danger of erosion. They must be revitalized to ensure continued progress on disarmament and to address the growing risk of a cascade of proliferation, especially in the nuclear field.

86. We must continue to reduce the prevalence and risk of war. This requires both the emphasis on development outlined in section II above and the strengthening of tools to deliver the military and civilian support needed to prevent and end wars as well as to build a sustainable peace. Investment in prevention, peacemaking, peacekeeping and peacebuilding can save millions of lives. If only two peace agreements had been successfully implemented in the early 1990s — the Bicesse Accords in Angola and the Arusha Accords in Rwanda — we could have prevented the deaths of almost three million people.

## B. Preventing catastrophic terrorism

### Transnational terrorism

87. Terrorism is a threat to all that the United Nations stands for: respect for human rights, the rule of law, the protection of civilians, tolerance among peoples and nations, and the peaceful resolution of conflict. It is a threat that has grown more urgent in the last five years. Transnational networks of terrorist groups have global reach and make common cause to pose a universal threat. Such groups profess a desire to acquire nuclear, biological and chemical weapons and to inflict mass casualties. Even one such attack and the chain of events it might set off could change our world forever.

88. Our strategy against terrorism must be comprehensive and should be based on five pillars: it must aim at dissuading people from resorting to terrorism or supporting it; it must deny terrorists access to funds and materials; it must deter States from sponsoring terrorism; it must develop State capacity to defeat terrorism; and it must defend human rights. **I urge Member States and civil society organizations everywhere to join in that strategy.**

89. Several steps are urgently required, as described below.

90. We must convince all those who may be tempted to support terrorism that it is neither an acceptable nor an effective way to advance their cause. But the moral authority of the United Nations and its strength in condemning terrorism have been hampered by the inability of Member States to agree on a comprehensive convention that includes a definition.

91. It is time to set aside debates on so-called “State terrorism”. The use of force by States is already thoroughly regulated under international law. And the right to resist occupation must be understood in its true meaning. It cannot include the right to deliberately kill or maim civilians. I endorse fully the High-level Panel’s call for a definition of terrorism, which would make it clear that, in addition to actions already proscribed by existing conventions, any action constitutes terrorism if it is intended to cause death or serious bodily harm to civilians or non-combatants with the purpose of intimidating a population or compelling a Government or an international organization to do or abstain from doing any act. **I believe this proposal has clear moral force, and I strongly urge world leaders to unite behind it and to conclude a comprehensive convention on terrorism before the end of the sixtieth session of the General Assembly.**

92. It is vital that we deny terrorists access to nuclear materials. This means consolidating, securing and, when possible, eliminating hazardous materials and

implementing effective export controls. While the Group of Eight Major Industrialized Countries (G8) and the Security Council have taken important steps to do this, we need to make sure that these measures are fully enforced and that they reinforce each other. **I urge Member States to complete, without delay, an international convention for the suppression of acts of nuclear terrorism.**

93. The threat of biological terrorism differs from that of nuclear terrorism. There will soon be thousands of laboratories around the world capable of producing designer bugs with awesome lethal potential. Our best defence against this danger lies in strengthening public health, and the recommendations to this end contained in section II above have a double merit: they would both help to address the scourge of naturally occurring infectious disease and contribute to our safety against manmade outbreaks. As we commit ourselves to strengthen local health systems — a task that will take us a generation — we must also ensure that our existing global response is adequate. The World Health Organization Global Outbreak Alert and Response Network has done an impressive job in monitoring and responding to outbreaks of deadly infectious disease, whether natural or suspicious. But it has done so on a shoestring. **I urge Member States to give it the resources it needs to do the job thoroughly, in all our interests.**

94. Terrorists are accountable to no one. We, on the other hand, must never lose sight of our accountability to citizens all around the world. In our struggle against terrorism, we must never compromise human rights. When we do so we facilitate achievement of one of the terrorist's objectives. By ceding the moral high ground we provoke tension, hatred and mistrust of Governments among precisely those parts of the population where terrorists find recruits. **I urge Member States to create a special rapporteur who would report to the Commission on Human Rights on the compatibility of counter-terrorism measures with international human rights laws.**

#### **Organized crime**

95. The threat of terrorism is closely linked to that of organized crime, which is growing and affects the security of all States. Organized crime contributes to State weakness, impedes economic growth, fuels many civil wars, regularly undermines United Nations peacebuilding efforts and provides financing mechanisms to terrorist groups. Organized criminal groups are also heavily involved in the illegal smuggling of migrants and trafficking in firearms.

96. In recent years, the United Nations has made important progress in building a framework of international standards and norms for the fight against organized crime and corruption, with the adoption or entry into force of several major conventions and protocols. However, many of the States parties to these treaties have not implemented them adequately, sometimes because they genuinely lack the capacity to do so. **All States should both ratify and implement these conventions, while helping each other to strengthen their domestic criminal justice and rule-of-law systems. And Member States should give adequate resources to the United Nations Office on Drugs and Crime for its key role in overseeing implementation of the conventions.**

### C. Nuclear, biological and chemical weapons

97. Multilateral efforts to bridle the dangers of nuclear technology while harnessing its promise are nearly as old as the United Nations itself. The Treaty on the Non-Proliferation of Nuclear Weapons,<sup>12</sup> 35 years old this month, has proved indispensable: it has not only diminished nuclear peril but has also demonstrated the value of multilateral agreements in safeguarding international peace and security. But today, the Treaty has suffered the first withdrawal of a party to the Treaty and faces a crisis of confidence and compliance born of a growing strain on verification and enforcement. The Conference on Disarmament, for its part, faces a crisis of relevance resulting in part from dysfunctional decision-making procedures and the paralysis that accompanies them.

98. Progress in both disarmament and non-proliferation is essential and neither should be held hostage to the other. Recent moves towards disarmament by the nuclear-weapon States should be recognized. Bilateral agreements, including the 2002 Strategic Offensive Reductions Treaty signed by the United States and the Russian Federation, have led to the dismantlement of thousands of nuclear weapons, accompanied by commitments to further sharp reductions in stockpiles. **However, the unique status of nuclear-weapon States also entails a unique responsibility, and they must do more, including but not limited to further reductions in their arsenals of non-strategic nuclear weapons and pursuing arms control agreements that entail not just dismantlement but irreversibility. They should also reaffirm their commitment to negative security assurances. Swift negotiation of a fissile material cut-off treaty is essential. The moratorium on nuclear test explosions must also be upheld until we can achieve the entry into force of the Comprehensive Nuclear Test-Ban Treaty. I strongly encourage States parties to the Treaty on the Non-Proliferation of Nuclear Weapons to endorse these measures at the 2005 Review Conference.**

99. The spread of nuclear technology has exacerbated a long-standing tension within the nuclear regime, arising from the simple fact that the technology required for civilian nuclear fuel can also be used to develop nuclear weapons. Measures to mitigate this tension must confront the dangers of nuclear proliferation but must also take into account the important environmental, energy, economic and research applications of nuclear technology. **First, the verification authority of the International Atomic Energy Agency (IAEA) must be strengthened through universal adoption of the Model Additional Protocol. Second, while the access of non-nuclear weapon States to the benefits of nuclear technology should not be curtailed, we should focus on creating incentives for States to voluntarily forego the development of domestic uranium enrichment and plutonium separation capacities, while guaranteeing their supply of the fuel necessary to develop peaceful uses.** One option is an arrangement in which IAEA would act as a guarantor for the supply of fissile material to civilian nuclear users at market rates.

100. While the Treaty on the Non-Proliferation of Nuclear Weapons remains the foundation of the non-proliferation regime, we should welcome recent efforts to supplement it. These include Security Council resolution 1540 (2004), designed to prevent non-State actors from gaining access to nuclear, chemical and biological weapons, technology and materials, and their means of delivery; and the voluntary Proliferation Security Initiative, under which more and more States are cooperating to prevent illicit trafficking in nuclear, biological and chemical weapons.

101. The availability of ballistic missiles with extended range and greater accuracy is of growing concern to many States, as is the spread of shoulder-fired missiles which could be used by terrorists. **Member States should adopt effective national export controls covering missiles and other means of delivery for nuclear, biological and chemical weapons, rockets and shoulder-fired missiles, as well as a ban on transferring any of them to non-State actors.** The Security Council should also consider adopting a resolution aimed at making it harder for terrorists to acquire or use shoulder-fired missiles.

102. Where progress has been made, it should be consolidated. The 1997 Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction<sup>13</sup> calls for the complete elimination and destruction of chemical weapons by all States parties, thus offering a historic opportunity to complete a task begun more than a century ago. **States parties to the Convention on Chemical Weapons should recommit themselves to achieving the scheduled destruction of declared chemical weapons stockpiles. I call upon all States to accede immediately to the Convention.**

103. The 1975 Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction<sup>14</sup> has enjoyed a remarkable degree of support and adherence, and has been strengthened further through recent annual meetings. **States parties should consolidate the results of these meetings at the 2006 Review Conference and commit themselves to further measures to strengthen the Biological and Toxin Weapons Convention. I also call upon all States to accede immediately to the Convention and to increase the transparency of bio-defence programmes.**

104. Further efforts are needed to bolster the biological security regime. The capability of the Secretary-General to investigate suspected use of biological agents, as authorized by the General Assembly in its resolution 42/37, should be strengthened to incorporate the latest technology and expertise; and the Security Council should make use of that capability, consistent with Security Council resolution 620 (1988).

105. Indeed, the Security Council must be better informed on all matters relevant to nuclear, chemical and biological threats. I encourage the Council to regularly invite the Director-General of IAEA and the Director-General of the Organization for the Prohibition of Chemical Weapons to brief the Council on the status of safeguards and verification processes. And I myself stand ready, in consultation with the Director-General of the World Health Organization, to use my powers under Article 99 of the Charter of the United Nations to call to the attention of the Security Council any overwhelming outbreak of infectious disease that threatens international peace and security.

#### **D. Reducing the risk and prevalence of war**

106. No task is more fundamental to the United Nations than the prevention and resolution of deadly conflict. Prevention, in particular, must be central to all our efforts, from combating poverty and promoting sustainable development; through strengthening national capacities to manage conflict, promoting democracy and the rule of law, and curbing the flow of small arms and light weapons; to directing

preventive operational activities, such as the use of good offices, Security Council missions and preventive deployments.

107. Member States must ensure that the United Nations has the right structure and sufficient resources to perform these vital tasks.

#### **Mediation**

108. Although it is difficult to demonstrate, the United Nations has almost certainly prevented many wars by using the Secretary-General's "good offices" to help resolve conflicts peacefully. And over the past 15 years, more civil wars have ended through mediation than in the previous two centuries, in large part because the United Nations provided leadership, opportunities for negotiation, strategic coordination and the resources to implement peace agreements. But we could undoubtedly save many more lives if we had the capacity and personnel to do so. **I urge Member States to allocate additional resources to the Secretary-General for his good offices function.**

#### **Sanctions**

109. Sanctions are a vital tool at the disposal of the Security Council for dealing preventively with threats to international peace and security. They constitute a necessary middle ground between war and words. In some cases, sanctions can help to produce agreements. In others, they can be combined with military pressure to weaken and isolate rebel groups or States that are in flagrant violation of Security Council resolutions.

110. The use of financial, diplomatic, arms, aviation, travel and commodity sanctions to target belligerents, in particular the individuals most directly responsible for reprehensible policies, will continue to be a vital tool in the United Nations arsenal. **All Security Council sanctions should be effectively implemented and enforced by strengthening State capacity to implement sanctions, establishing well resourced monitoring mechanisms and mitigating humanitarian consequences.** Given the difficult environments in which sanctions are often used and the lessons learned in recent years, future sanctions regimes must also be structured carefully so as to minimize the suffering caused to innocent third parties — including the civilian populations of targeted States — and to protect the integrity of the programmes and institutions involved.

#### **Peacekeeping**

111. Over the decades, the United Nations has done a great deal to stabilize zones of conflict, and in the last 15 years or so also to help countries emerge from conflict, by deploying peacekeeping forces. Since the issuance of the report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809, annex), which led to important reforms in the management of our peacekeeping operations, the renewed confidence of Member States in United Nations peacekeeping has led to a surge in demand, with the result that the United Nations now has more missions on the ground than ever before. The majority of these are in Africa, where — I regret to say — developed countries are increasingly reluctant to contribute troops. As a result, our capacity is severely stretched.



112. I appeal to Member States to do more to ensure that the United Nations has effective capacities for peacekeeping, commensurate with the demands that they place upon it. In particular, I urge them to improve our deployment options by creating strategic reserves that can be deployed rapidly, within the framework of United Nations arrangements. United Nations capacity should not be developed in competition with the admirable efforts now being made by many regional organizations but in cooperation with them. Decisions by the European Union to create standby battle groups, for instance, and by the African Union to create African reserve capacities, are a very valuable complement to our own efforts. **Indeed, I believe the time is now ripe for a decisive move forward: the establishment of an interlocking system of peacekeeping capacities that will enable the United Nations to work with relevant regional organizations in predictable and reliable partnerships.**

113. Since the rule of law is an essential element of lasting peace, United Nations peacekeepers and peacebuilders have a solemn responsibility to respect the law themselves, and especially to respect the rights of the people whom it is their mission to help. In the light of recent allegations of misconduct by United Nations administrators and peacekeepers, the United Nations system should reaffirm its commitment to respect, adhere to and implement international law, fundamental human rights and the basic standards of due process. I will work to strengthen the internal capacity of the United Nations to exercise oversight of peacekeeping operations, and I remind Member States of their obligation to prosecute any members of their national contingents who commit crimes or offences in the States where they are deployed. **I am especially troubled by instances in which United Nations peacekeepers are alleged to have sexually exploited minors and other vulnerable people, and I have enacted a policy of “zero tolerance” towards such offences that applies to all personnel engaged in United Nations operations. I strongly encourage Member States to do the same with respect to their national contingents.**

#### **Peacebuilding**

114. Our record of success in mediating and implementing peace agreements is sadly blemished by some devastating failures. Indeed, several of the most violent and tragic episodes of the 1990s occurred after the negotiation of peace agreements — for instance in Angola in 1993 and in Rwanda in 1994. Roughly half of all countries that emerge from war lapse back into violence within five years. These two points drive home the message: if we are going to prevent conflict we must ensure that peace agreements are implemented in a sustained and sustainable manner. Yet at this very point there is a gaping hole in the United Nations institutional machinery: no part of the United Nations system effectively addresses the challenge of helping countries with the transition from war to lasting peace. **I therefore propose to Member States that they create an intergovernmental Peacebuilding Commission, as well as a Peacebuilding Support Office within the United Nations Secretariat, to achieve this end.**

115. A Peacebuilding Commission could perform the following functions: in the immediate aftermath of war, improve United Nations planning for sustained recovery, focusing on early efforts to establish the necessary institutions; help to ensure predictable financing for early recovery activities, in part by providing an overview of assessed, voluntary and standing funding mechanisms; improve the

coordination of the many post-conflict activities of the United Nations funds, programmes and agencies; provide a forum in which the United Nations, major bilateral donors, troop contributors, relevant regional actors and organizations, the international financial institutions and the national or transitional Government of the country concerned can share information about their respective post-conflict recovery strategies, in the interests of greater coherence; periodically review progress towards medium-term recovery goals; and extend the period of political attention to post-conflict recovery. I do not believe that such a body should have an early warning or monitoring function, but it would be valuable if Member States could at any stage make use of the Peacebuilding Commission's advice and could request assistance from a standing fund for peacebuilding to build their domestic institutions for reducing conflict, including through strengthening the rule-of-law institutions.

116. I believe that such a body would best combine efficiency with legitimacy if it were to report to the Security Council and the Economic and Social Council in sequence, depending on the phase of the conflict. Simultaneous reporting lines should be avoided because they will create duplication and confusion.

117. The Peacebuilding Commission would be most effective if its core membership comprised a sub-set of Security Council members, a similar number of Economic and Social Council members, leading troop contributors and the major donors to a standing fund for peacebuilding. In its country-specific operations, the Peacebuilding Commission should involve the national or transitional authorities, relevant regional actors and organizations, troop contributors, where applicable, and the major donors to the specific country.

118. The participation of international financial institutions is vital. I have started discussions with them to determine how best they can be involved, with due respect for their mandates and governing arrangements.

119. Once these discussions are completed, in advance of September 2005, I will present Member States a more fully developed proposal for their consideration.

#### **Small arms, light weapons and landmines**

120. The accumulation and proliferation of small arms and light weapons continues to be a serious threat to peace, stability and sustainable development. Since the adoption in 2001 of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects,<sup>15</sup> awareness of the problem has grown and there have been various initiatives to tackle it. We must now begin to make a real difference by ensuring better enforcement of arms embargoes, strengthening programmes for the disarmament of ex-combatants and negotiating a legally binding international instrument to regulate the marking and tracing of small arms and light weapons, as well as one to prevent, combat and eradicate illicit brokering. **I urge Member States to agree on an instrument to regulate marking and tracing no later than next year's Review Conference on the Programme of Action, and to expedite negotiations on an instrument on illicit brokering.**

121. We must also continue our work to remove the scourge of landmines, which — along with other explosive remnants of war — still kill and maim innocent people in nearly half the world's countries and hold back entire communities from working their way out of poverty. The Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction,<sup>16</sup>

supplemented by Amended Protocol II<sup>17</sup> to the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects,<sup>18</sup> now has 144 States parties and has made a real difference on the ground. Transfers of mines have virtually halted, large tracts of previously mined lands have been cleared and more than 31 million stockpiled mines have been destroyed. Yet not all States parties to the Convention have fully implemented it and there are vast stockpiles of mines in the arsenals of States that remain outside it. **I therefore urge States parties to implement their obligations in full, and call on those States that have not yet done so to accede to both the Convention and the Protocol at the earliest possible moment.**

#### E. Use of force

122. Finally, an essential part of the consensus we seek must be agreement on when and how force can be used to defend international peace and security. In recent years, this issue has deeply divided Member States. They have disagreed about whether States have the right to use military force pre-emptively, to defend themselves against imminent threats; whether they have the right to use it preventively to defend themselves against latent or non-imminent threats; and whether they have the right — or perhaps the obligation — to use it protectively to rescue the citizens of other States from genocide or comparable crimes.

123. Agreement must be reached on these questions if the United Nations is to be — as it was intended to be — a forum for resolving differences rather than a mere stage for acting them out. And yet I believe the Charter of our Organization, as it stands, offers a good basis for the understanding that we need.

124. Imminent threats are fully covered by Article 51, which safeguards the inherent right of sovereign States to defend themselves against armed attack. Lawyers have long recognized that this covers an imminent attack as well as one that has already happened.

125. Where threats are not imminent but latent, the Charter gives full authority to the Security Council to use military force, including preventively, to preserve international peace and security. As to genocide, ethnic cleansing and other such crimes against humanity, are they not also threats to international peace and security, against which humanity should be able to look to the Security Council for protection?

126. The task is not to find alternatives to the Security Council as a source of authority but to make it work better. When considering whether to authorize or endorse the use of military force, the Council should come to a common view on how to weigh the seriousness of the threat; the proper purpose of the proposed military action; whether means short of the use of force might plausibly succeed in stopping the threat; whether the military option is proportional to the threat at hand; and whether there is a reasonable chance of success. By undertaking to make the case for military action in this way, the Council would add transparency to its deliberations and make its decisions more likely to be respected, by both Governments and world public opinion. **I therefore recommend that the Security Council adopt a resolution setting out these principles and expressing its intention to be guided by them when deciding whether to authorize or mandate the use of force.**

**IV. Freedom to live in dignity**

127. In the Millennium Declaration, Member States stated that they would spare no effort to promote democracy and strengthen the rule of law, as well as respect for all internationally recognized human rights and fundamental freedoms. In so doing, they recognized that while freedom from want and fear are essential they are not enough. All human beings have the right to be treated with dignity and respect.

128. The protection and promotion of the universal values of the rule of law, human rights and democracy are ends in themselves. They are also essential for a world of justice, opportunity and stability. No security agenda and no drive for development will be successful unless they are based on the sure foundation of respect for human dignity.

129. When it comes to laws on the books, no generation has inherited the riches that we have. We are blessed with what amounts to an international bill of human rights, among which are impressive norms to protect the weakest among us, including victims of conflict and persecution. We also enjoy a set of international rules on everything from trade to the law of the sea, from terrorism to the environment and from small arms to weapons of mass destruction. Through hard experience, we have become more conscious of the need to build human rights and rule-of-law provisions into peace agreements and ensure that they are implemented. And even harder experience has led us to grapple with the fact that no legal principle — not even sovereignty — should ever be allowed to shield genocide, crimes against humanity and mass human suffering.

130. But without implementation, our declarations ring hollow. Without action, our promises are meaningless. Villagers huddling in fear at the sound of Government bombing raids or the appearance of murderous militias on the horizon find no solace in the unimplemented words of the Geneva Conventions, to say nothing of the international community's solemn promises of "never again" when reflecting on the horrors of Rwanda a decade ago. Treaties prohibiting torture are cold comfort to prisoners abused by their captors, particularly if the international human rights machinery enables those responsible to hide behind friends in high places. A war-weary population infused with new hope after the signing of a peace agreement quickly reverts to despair when, instead of seeing tangible progress towards a Government under the rule of law, it sees war lords and gang leaders take power and become laws unto themselves. And solemn commitments to strengthen democracy at home, which all States made in the Millennium Declaration, remain empty words to those who have never voted for their rulers and who see no sign that things are changing.

131. To advance a vision of larger freedom, the United Nations and its Member States must strengthen the normative framework that has been so impressively advanced over the last six decades. Even more important, we must take concrete steps to reduce selective application, arbitrary enforcement and breach without consequence. Those steps would give new life to the commitments made in the Millennium Declaration.

132. Accordingly, I believe that decisions should be made in 2005 to help strengthen the rule of law internationally and nationally, enhance the stature and structure of the human rights machinery of the United Nations and more directly support efforts to institute and deepen democracy in nations around the globe. We

must also move towards embracing and acting on the “responsibility to protect” potential or actual victims of massive atrocities. The time has come for Governments to be held to account, both to their citizens and to each other, for respect of the dignity of the individual, to which they too often pay only lip service. We must move from an era of legislation to an era of implementation. Our declared principles and our common interests demand no less.

#### A. Rule of law

133. I strongly believe that every nation that proclaims the rule of law at home must respect it abroad and that every nation that insists on it abroad must enforce it at home. Indeed, the Millennium Declaration reaffirmed the commitment of all nations to the rule of law as the all-important framework for advancing human security and prosperity. Yet in many places, Governments and individuals continue to violate the rule of law, often without consequences for them but with deadly consequences for the weak and the vulnerable. In other instances, those who make no pretence of being bound by the rule of law, such as armed groups and terrorists, are able to flout it because our peacemaking institutions and compliance mechanisms are weak. The rule of law as a mere concept is not enough. New laws must be put into place, old ones must be put into practice and our institutions must be better equipped to strengthen the rule of law.

134. Nowhere is the gap between rhetoric and reality — between declarations and deeds — so stark and so deadly as in the field of international humanitarian law. It cannot be right, when the international community is faced with genocide or massive human rights abuses, for the United Nations to stand by and let them unfold to the end, with disastrous consequences for many thousands of innocent people. I have drawn Member States’ attention to this issue over many years. On the occasion of the tenth anniversary of the Rwandan genocide, I presented a five-point action plan to prevent genocide. The plan underscored the need for action to prevent armed conflict, effective measures to protect civilians, judicial steps to fight impunity, early warning through a Special Adviser on the Prevention of Genocide, and swift and decisive action when genocide is happening or about to happen. Much more, however, needs to be done to prevent atrocities and to ensure that the international community acts promptly when faced with massive violations.

135. The International Commission on Intervention and State Sovereignty and more recently the High-level Panel on Threats, Challenges and Change, with its 16 members from all around the world, endorsed what they described as an “emerging norm that there is a collective responsibility to protect” (see A/59/565, para. 203). While I am well aware of the sensitivities involved in this issue, I strongly agree with this approach. **I believe that we must embrace the responsibility to protect, and, when necessary, we must act on it.** This responsibility lies, first and foremost, with each individual State, whose primary *raison d’être* and duty is to protect its population. But if national authorities are unable or unwilling to protect their citizens, then the responsibility shifts to the international community to use diplomatic, humanitarian and other methods to help protect the human rights and well-being of civilian populations. When such methods appear insufficient, the Security Council may out of necessity decide to take action under the Charter of the United Nations, including enforcement action, if so required. In this case, as in others, it should follow the principles set out in section III above.

136. Support for the rule of law must be strengthened by universal participation in multilateral conventions. At present, many States remain outside the multilateral conventional framework, in some cases preventing important conventions from entering into force. Five years ago, I provided special facilities for States to sign or ratify treaties of which I am the Depositary. This proved a major success and treaty events have been held annually ever since. This year's event will focus on 31 multilateral treaties to help us respond to global challenges, with emphasis on human rights, refugees, terrorism, organized crime and the law of the sea. **I urge leaders especially to ratify and implement all treaties relating to the protection of civilians.**

137. Effective national legal and judicial institutions are essential to the success of all our efforts to help societies emerge from a violent past. Yet the United Nations, other international organizations and member Governments remain ill-equipped to provide support for such institutions. As I outlined in my report on the rule of law and transitional justice in conflict and post-conflict societies (S/2004/616), we lack appropriate assessment and planning capacities, both in the field and at Headquarters. As a result, assistance is often piecemeal, slow and ill-suited to the ultimate goal. To help the United Nations realize its potential in this area, **I intend to create a dedicated Rule of Law Assistance Unit, drawing heavily on existing staff within the United Nations system, in the proposed Peacebuilding Support Office (see sect. V below) to assist national efforts to re-establish the rule of law in conflict and post-conflict societies.**

138. Justice is a vital component of the rule of law. Enormous progress has been made with the establishment of the International Criminal Court, the continuing work of the two ad hoc tribunals for the former Yugoslavia and Rwanda, and the creation of a mixed tribunal in Sierra Leone and hopefully soon in Cambodia as well. Other important initiatives include commissions of experts and inquiry, such as those set up for Darfur, Timor-Leste and Côte d'Ivoire. Yet impunity continues to overshadow advances made in international humanitarian law, with tragic consequences in the form of flagrant and widespread human rights abuses continuing to this day. To increase avenues of redress for the victims of atrocities and deter further horrors, **I encourage Member States to cooperate fully with the International Criminal Court and other international or mixed war crimes tribunals, and to surrender accused persons to them upon request.**

139. The International Court of Justice lies at the centre of the international system for adjudicating disputes among States. In recent years, the Court's docket has grown significantly and a number of disputes have been settled, but resources remain scarce. **There is a need to consider means to strengthen the work of the Court.** I urge those States that have not yet done so to consider recognizing the compulsory jurisdiction of the Court — generally if possible or, failing that, at least in specific situations. I also urge all parties to bear in mind, and make greater use of, the Court's advisory powers. Measures should also be taken, with the cooperation of litigating States, to improve the Court's working methods and reduce the length of its proceedings.

## B. Human rights

140. Human rights are as fundamental to the poor as to the rich, and their protection is as important to the security and prosperity of the developed world as it is to that of the developing world. It would be a mistake to treat human rights as though there were a trade-off to be made between human rights and such goals as security or development. We only weaken our hand in fighting the horrors of extreme poverty or terrorism if, in our efforts to do so, we deny the very human rights that these scourges take away from citizens. Strategies based on the protection of human rights are vital for both our moral standing and the practical effectiveness of our actions.

141. Since its establishment, the United Nations has committed itself to striving for a world of peace and justice grounded in universal respect for human rights — a mission reaffirmed five years ago by the Millennium Declaration. But the system for protecting human rights at the international level is today under considerable strain. Change is needed if the United Nations is to sustain long-term, high-level engagement on human rights issues, across the range of the Organization's work.

142. Important change is already under way. Since the Millennium Declaration, the United Nations human rights machinery has expanded its protection work, technical assistance and support for national human rights institutions, so that international human rights standards are now better implemented in many countries. Last year, I launched "Action 2", a global programme designed to equip United Nations inter-agency country teams to work with Member States, at their request, to bolster their national human rights promotion and protection systems. **This programme urgently needs more resources and staff, including a stronger capacity to train country teams within the Office of the United Nations High Commissioner for Human Rights.**

143. But technical assistance and long-term institution-building are of little or no value where the basic principle of protection is being actively violated. A greater human rights field presence during times of crisis would provide timely information to United Nations bodies and, when necessary, draw urgent attention to situations requiring action.

144. The increasing frequency of the Security Council's invitations to the High Commissioner to brief it on specific situations shows that there is now a greater awareness of the need to take human rights into account in resolutions on peace and security. **The High Commissioner must play a more active role in the deliberations of the Security Council and of the proposed Peacebuilding Commission, with emphasis on the implementation of relevant provisions in Security Council resolutions.** Indeed, human rights must be incorporated into decision-making and discussion throughout the work of the Organization. The concept of "mainstreaming" human rights has gained greater attention in recent years, but it has still not been adequately reflected in key policy and resource decisions.

145. These observations all point to the need to strengthen the Office of the High Commissioner for Human Rights. While the role of the High Commissioner has expanded in the areas of crisis response, national human rights capacity-building, support for the Millennium Development Goals and conflict prevention, her Office remains woefully ill-equipped to respond to the broad range of human rights challenges facing the international community. **Member States' proclaimed**

**commitment to human rights must be matched by resources to strengthen the Office's ability to discharge its vital mandate. I have asked the High Commissioner to submit a plan of action within 60 days.**

146. The High Commissioner and her Office need to be involved in the whole spectrum of United Nations activities. But this can only work if the intergovernmental foundations of our human rights machinery are strong. In section V below, therefore, I shall make a proposal to transform the body which should be the central pillar of the United Nations human rights system — the Commission on Human Rights.

147. But the human rights treaty bodies, too, need to be much more effective and more responsive to violations of the rights that they are mandated to uphold. The treaty body system remains little known; is compromised by the failure of many States to report on time if at all, as well as the duplication of reporting requirements; and is weakened further by poor implementation of recommendations. **Harmonized guidelines on reporting to all treaty bodies should be finalized and implemented so that these bodies can function as a unified system.**

### C. Democracy

148. The Universal Declaration of Human Rights,<sup>19</sup> adopted by the General Assembly in 1948, enunciated the essentials of democracy. Ever since its adoption, it has inspired constitution-making in every corner of the world, and it has contributed greatly to the eventual global acceptance of democracy as a universal value. The right to choose how they are ruled, and who rules them, must be the birthright of all people, and its universal achievement must be a central objective of an Organization devoted to the cause of larger freedom.

149. In the Millennium Declaration, every Member State pledged to strengthen its capacity to implement the principles and practices of democracy. That same year, the General Assembly adopted a resolution on promoting and consolidating democracy.<sup>20</sup> More than 100 countries have now signed the Warsaw Declaration of the Community of Democracies (see A/55/328, annex I), and in 2002 that Community endorsed the Seoul Plan of Action (see A/57/618, annex I), which listed the essential elements of representative democracy and set forth a range of measures to promote it. Regional organizations in many parts of the world have made democracy promotion a core component of their work, and the emergence of a strong community of global and regional civil society organizations that promote democratic governance is also encouraging. All of which reinforces the principle that democracy does not belong to any country or region but is a universal right.

150. However, commitments must be matched by performance and protecting democracy requires vigilance. Threats to democracy have by no means ceased to exist. As we have seen time and again, the transition to democracy is delicate and difficult and can suffer severe setbacks. The United Nations assists Member States by supporting emerging democracies with legal, technical and financial assistance and advice. For example, the United Nations has given concrete support for elections in more and more countries, often at decisive moments in their history — more than 20 in the last year alone, including Afghanistan, Palestine, Iraq and Burundi. Similarly, the Organization's work to improve governance throughout the



developing world and to rebuild the rule of law and State institutions in war-torn countries is vital to ensuring that democracy takes root and endures.

151. The United Nations does more than any other single organization to promote and strengthen democratic institutions and practices around the world, but this fact is little known. The impact of our work is reduced by the way we disperse it among different parts of our bureaucracy. It is time to join up the dots. But there are significant gaps in our capacity in several critical areas. The Organization as a whole needs to be better coordinated and should mobilize resources more effectively. The United Nations should not restrict its role to norm-setting but should expand its help to its members to further broaden and deepen democratic trends throughout the world. **To that end, I support the creation of a democracy fund at the United Nations to provide assistance to countries seeking to establish or strengthen their democracy. Furthermore, I intend to ensure that our activities in this area are more closely coordinated by establishing a more explicit link between the democratic governance work of the United Nations Development Programme and the Electoral Assistance Division of the Department of Political Affairs.**

152. In sections II to IV, I have outlined the interconnected challenges of advancing the cause of larger freedom in the new century. I have also indicated what I believe to be the essential elements of our collective response, including many areas where I believe the United Nations should be better equipped to make its proper contribution. In section V below, I shall focus in some detail on the specific reforms that I believe are needed if our Organization is to play its due part in shaping and implementing such a collective response across the whole range of global issues.

## V. Strengthening the United Nations

153. In the present report, I have argued that the principles and purposes of the United Nations, as set out in the Charter, remain as valid and relevant today as they were in 1945, and that the present moment is a precious opportunity to put them into practice. But while purposes should be firm and principles constant, practice and organization need to move with the times. If the United Nations is to be a useful instrument for its Member States and for the world's peoples, in responding to the challenges described in sections II to IV above it must be fully adapted to the needs and circumstances of the twenty-first century. It must be open not only to States but also to civil society, which at both the national and international levels plays an increasingly important role in world affairs. Its strength must be drawn from the breadth of its partnerships and from its ability to bring those partners into effective coalitions for change across the whole spectrum of issues on which action is required to advance the cause of larger freedom.

154. Clearly our Organization, as an organization, was built for a different era. Equally clearly, not all our current practices are adapted to the needs of today. That is why Heads of State and Government, in the Millennium Declaration, recognized the need to strengthen the United Nations to make it a more effective instrument for pursuing their priorities.

155. Indeed, ever since I took office as Secretary-General in 1997, one of my main priorities has been to reform the internal structures and culture of the United Nations to make the Organization more useful to its Member States and to the

world's peoples. And much has been achieved. Today, the Organization's structures are more streamlined, its working methods more effective and its various programmes better coordinated, and it has developed working partnerships in many areas with civil society and the private sector. In the economic and social spheres, the Millennium Development Goals now serve as a common policy framework for the entire United Nations system, and indeed for the broader international development community. United Nations peacekeeping missions today are much better designed than they used to be, and have a more integrated understanding of the many different tasks involved in preventing a recurrence of fighting and laying the foundations of lasting peace. And we have built strategic partnerships with a wide range of non-State actors who have an important contribution to make to global security, prosperity and freedom.

156. But many more changes are needed. As things stand now, different governance structures for the many parts of the system, overlapping mandates and mandates that reflect earlier rather than current priorities all combine to hobble our effectiveness. It is essential to give managers real authority so that they can fully align the system's activities with the goals endorsed by Member States — which I hope will be those outlined in the present report. We must also do more to professionalize the Secretariat and to hold its staff and management more rigorously accountable for their performance. And we need to ensure greater coherence, both among the various United Nations representatives and activities in each country and in the wider United Nations system, particularly in the economic and social fields.

157. But reform, if it is to be effective, cannot be confined to the executive branch. It is time to breathe new life also into the intergovernmental organs of the United Nations.

#### **A. General Assembly**

158. As the Millennium Declaration reaffirmed, the General Assembly has a central position as the chief deliberative, policy-making and representative organ of the United Nations. In particular, it has the authority to consider and approve the budget and it elects the members of the other deliberative bodies, including the Security Council. Member States are therefore rightly concerned about the decline in the Assembly's prestige and its diminishing contribution to the Organization's activities. This decline must be reversed, and that will only happen if the Assembly becomes more effective.

159. In recent years, the number of General Assembly resolutions approved by consensus has increased steadily. That would be good if it reflected a genuine unity of purpose among Member States in responding to global challenges. But unfortunately, consensus (often interpreted as requiring unanimity) has become an end in itself. It is sought first within each regional group and then at the level of the whole. This has not proved an effective way of reconciling the interests of Member States. Rather, it prompts the Assembly to retreat into generalities, abandoning any serious effort to take action. Such real debates as there are tend to focus on process rather than substance and many so-called decisions simply reflect the lowest common denominator of widely different opinions.

160. Member States agree, as they have for years, that the Assembly needs to streamline its procedures and structures so as to improve the deliberative process

and make it more effective. Many modest steps have been taken. Now, new proposals to “revitalize” the Assembly have been put forward by a wide range of Member States. **The General Assembly should now take bold measures to rationalize its work and speed up the deliberative process, notably by streamlining its agenda, its committee structure and its procedures for holding plenary debates and requesting reports, and by strengthening the role and authority of its President.**

161. At present, the General Assembly addresses a broad agenda covering a wide range of often overlapping issues. **It should give focus to its substantive agenda by concentrating on addressing the major substantive issues of the day, such as international migration and the long-debated comprehensive convention on terrorism.**

162. It should also engage much more actively with civil society — reflecting the fact that, after a decade of rapidly increasing interaction, civil society is now involved in most United Nations activities. Indeed, the goals of the United Nations can only be achieved if civil society and Governments are fully engaged. The Panel of Eminent Persons on United Nations-Civil Society Relations, which I appointed in 2003, made many useful recommendations for improving our work with civil society, and I have commended its report (see A/58/817 and Corr.1) to the General Assembly together with my views. **The General Assembly should act on these recommendations and establish mechanisms enabling it to engage fully and systematically with civil society.**

163. The Assembly also needs to review its committee structure, the way committees function, the oversight it provides to them and their outputs. The General Assembly needs a mechanism to review the decisions of its committees so as to avoid overloading the organization with unfunded mandates and continuing the current problem of micromanagement of the budget and the allocation of posts within the Secretariat. If the General Assembly cannot solve these problems it will not have the focus and flexibility it needs to serve its members effectively.

164. It should be clear that none of this will happen unless Member States take a serious interest in the Assembly at the highest level and insist that their representatives engage in its debates with a view to achieving real and positive results. If they fail to do this the Assembly’s performance will continue to disappoint them and they should not be surprised.

## **B. The Councils**

165. Its founders endowed the United Nations with three Councils, each having major responsibilities in its own area: the Security Council, the Economic and Social Council and the Trusteeship Council. Over time, the division of responsibilities between them has become less and less balanced: the Security Council has increasingly asserted its authority and, especially since the end of the cold war, has enjoyed greater unity of purpose among its permanent members but has seen that authority questioned on the grounds that its composition is anachronistic or insufficiently representative; the Economic and Social Council has been too often relegated to the margins of global economic and social governance; and the Trusteeship Council, having successfully carried out its functions, is now reduced to a purely formal existence.

166. I believe we need to restore the balance, with three Councils covering respectively, (a) international peace and security, (b) economic and social issues, and (c) human rights, the promotion of which has been one of the purposes of the Organization from its beginnings but now clearly requires more effective operational structures. These Councils together should have the task of driving forward the agenda that emerges from summit and other conferences of Member States, and should be the global forms in which the issues of security, development and justice can be properly addressed. The first two Councils, of course, already exist but need to be strengthened. The third requires a far-reaching overhaul and upgrading of our existing human rights machinery.

#### **Security Council**

167. By adhering to the Charter of the United Nations, all Member States recognize that the Security Council has the primary responsibility for the maintenance of international peace and security and agree to be bound by its decisions. It is therefore of vital importance, not only to the Organization but to the world, that the Council should be equipped to carry out this responsibility and that its decisions should command worldwide respect.

168. In the Millennium Declaration, all States resolved to intensify their efforts "to achieve a comprehensive reform of the Security Council in all its aspects" (see General Assembly resolution 55/2, para. 30). This reflected the view, long held by the majority, that a change in the Council's composition is needed to make it more broadly representative of the international community as a whole, as well as of the geopolitical realities of today, and thereby more legitimate in the eyes of the world. Its working methods also need to be made more efficient and transparent. The Council must be not only more representative but also more able and willing to take action when action is needed. Reconciling these two imperatives is the hard test that any reform proposal must pass.

169. Two years ago, I declared that in my view no reform of the United Nations would be complete without reform of the Security Council. That is still my belief. The Security Council must be broadly representative of the realities of power in today's world. I therefore support the position set out in the report of the High-level Panel on Threats, Challenges and Change (A/59/565) concerning the reforms of the Security Council, namely:

- (a) They should, in honouring Article 23 of the Charter, increase the involvement in decision-making of those who contribute most to the United Nations financially, militarily and diplomatically, specifically in terms of contributions to United Nations assessed budgets, participation in mandated peace operations, contributions to voluntary activities of the United Nations in the areas of security and development, and diplomatic activities in support of United Nations objectives and mandates. Among developed countries, achieving or making substantial progress towards the internationally agreed level of 0.7 per cent of GNP for ODA should be considered an important criterion of contribution;
- (b) They should bring into the decision-making process countries more representative of the broader membership, especially of the developing world;
- (c) They should not impair the effectiveness of the Security Council;
- (d) They should increase the democratic and accountable nature of the body.

170. I urge Member States to consider the two options, models A and B, proposed in that report (see box 5), or any other viable proposals in terms of size and balance that have emerged on the basis of either model. Member States should agree to take a decision on this important issue before the summit in September 2005. It would be very preferable for Member States to take this vital decision by consensus, but if they are unable to reach consensus this must not become an excuse for postponing action.

**Box 5**  
**Security Council reform: models A and B**

Model A provides for six new permanent seats, with no veto being created, and three new two-year term non-permanent seats, divided among the major regional areas as follows:

<i>Regional area</i>	<i>No. of States</i>	<i>Permanent seats (continuing)</i>	<i>Proposed new permanent seats</i>	<i>Proposed two-year seats (non-renewable)</i>	<i>Total</i>
Africa	53	0	2	4	6
Asia and Pacific	56	1	2	3	6
Europe	47	3	1	2	6
Americas	35	1	1	4	6
<b>Totals model A</b>	<b>191</b>	<b>5</b>	<b>6</b>	<b>13</b>	<b>24</b>

Model B provides for no new permanent seats but creates a new category of eight four-year renewable-term seats and one new two-year non-permanent (and non-renewable) seat, divided among the major regional areas as follows:

<i>Regional area</i>	<i>No. of States</i>	<i>Permanent seats (continuing)</i>	<i>Proposed four-year renewable seats</i>	<i>Proposed two-year seats (non-renewable)</i>	<i>Total</i>
Africa	53	0	2	4	6
Asia and Pacific	56	1	2	3	6
Europe	47	3	2	1	6
Americas	35	1	2	3	6
<b>Totals model B</b>	<b>191</b>	<b>5</b>	<b>8</b>	<b>11</b>	<b>24</b>

**Economic and Social Council**

171. The Charter of the United Nations gives the Economic and Social Council a range of important functions that involve coordination, policy review and policy

dialogue. Most of these seem more critical than ever in this age of globalization, in which a comprehensive United Nations development agenda has emerged from the summits and conferences of the 1990s. More than ever, the United Nations needs to be able to develop and implement policies in this area in a coherent manner. The functions of the Council are generally thought to be uniquely relevant to these challenges, but it has not as yet done justice to them.

172. In 1945, the framers of the Charter did not give the Economic and Social Council enforcement powers. Having agreed at Bretton Woods in the previous year to create powerful international financial institutions and expecting that these would be complemented by a world trade organization in addition to the various specialized agencies, they clearly intended that international economic decision-making would be decentralized. But this only makes the Council's potential role as coordinator, convener, forum for policy dialogue and forger of consensus the more important. It is the only organ of the United Nations explicitly mandated by the Charter to coordinate the activities of the specialized agencies and to consult with non-governmental organizations. And it has a network of functional and regional commissions operating under its aegis which are increasingly focused on the implementation of development goals.

173. The Economic and Social Council has put these assets to good use in the recent years, building bridges through an annual special high-level meeting with the trade and financial institutions, for instance, and establishing a unique Information and Communications Technology Task Force. It has also contributed to linking the issues of security and development by establishing country-specific groups.

174. These initiatives have helped to promote greater coherence and coordination among various actors, but there are still visible gaps to be addressed.

175. First, there is an increasing need to integrate, coordinate and review the implementation of the United Nations development agenda that has emerged from the world conferences and summits. **To this end, the Economic and Social Council should hold annual ministerial-level assessments of progress towards agreed development goals, particularly the Millennium Development Goals.** These assessments could be based on peer reviews of progress reports prepared by member States, with support from United Nations agencies and the regional commissions.

176. Second, there is a need to review trends in international development cooperation, promote greater coherence among the development activities of different actors and strengthen the links between the normative and operational work of the United Nations system. **To address this gap, the Economic and Social Council should serve as a high-level development cooperation forum. Such a forum could be held biennially by transforming the high-level segment of the Council.**

177. Third, there is a need to address economic and social challenges, threats and crises as and when they occur. **To this end, the Council should convene timely meetings, as required, to assess threats to development, such as famines, epidemics and major natural disasters, and to promote coordinated responses to them.**

178. Fourth, there is a need to systematically monitor and deal with the economic and social dimensions of conflicts. The Economic and Social Council has tried to fulfil this need by establishing country-specific ad hoc advisory groups. But given

the scale and the challenge of long-term recovery, reconstruction and reconciliation, ad hoc arrangements are not enough. **The Economic and Social Council should institutionalize its work in post-conflict management by working with the proposed Peacebuilding Commission. It should also reinforce its links with the Security Council in order to promote structural prevention.**

179. Finally, while the normative and strategy-setting role of the Economic and Social Council is clearly different from the managerial and policy-making role played by the governing bodies of the various international institutions, I would hope that, as the Council starts to assert leadership in driving a global development agenda it will be able to provide direction for the efforts of the various intergovernmental bodies in this area throughout the United Nations system.

180. Implementing all these recommendations would require the Economic and Social Council to function with a new and more flexible structure, not necessarily restricted by the current annual calendar of "segments" and "substantive session". In addition, the Council needs an effective, efficient and representative intergovernmental mechanism for engaging its counterparts in the institutions dealing with finance and trade. This could either be achieved by expanding its Bureau or by establishing an Executive Committee with a regionally balanced composition.

#### **Proposed Human Rights Council**

181. The Commission on Human Rights has given the international community a universal human rights framework, comprising the Universal Declaration on Human Rights, the two International Covenants<sup>21</sup> and other core human rights treaties. During its annual session, the Commission draws public attention to human rights issues and debates, provides a forum for the development of United Nations human rights policy and establishes a unique system of independent and expert special procedures to observe and analyse human rights compliance by theme and by country. The Commission's close engagement with hundreds of civil society organizations provides an opportunity for working with civil society that does not exist elsewhere.

182. Yet the Commission's capacity to perform its tasks has been increasingly undermined by its declining credibility and professionalism. In particular, States have sought membership of the Commission not to strengthen human rights but to protect themselves against criticism or to criticize others. As a result, a credibility deficit has developed, which casts a shadow on the reputation of the United Nations system as a whole.

183. **If the United Nations is to meet the expectations of men and women everywhere — and indeed, if the Organization is to take the cause of human rights as seriously as those of security and development — then Member States should agree to replace the Commission on Human Rights with a smaller standing Human Rights Council.** Member States would need to decide if they want the Human Rights Council to be a principal organ of the United Nations or a subsidiary body of the General Assembly, but in either case its members would be elected directly by the General Assembly by a two-thirds majority of members present and voting. The creation of the Council would accord human rights a more authoritative position, corresponding to the primacy of human rights in the Charter of the United Nations. Member States should determine the composition of the

Council and the term of office of its members. Those elected to the Council should undertake to abide by the highest human rights standards.

### C. The Secretariat

184. A capable and effective Secretariat is indispensable to the work of the United Nations. As the needs of the Organization have changed, so too must the Secretariat. That is why in 1997 I launched a package of structural reforms for the Secretariat and followed up with a further set of managerial and technical improvements in 2002, aimed at giving the Organization a more focused work programme and a simpler system of planning and budgeting and enabling the Secretariat to provide better service.

185. I am glad that the General Assembly has given broad support to these changes and I believe they have improved our ability to do the job the world expects of us. Thanks to changes in budgeting, procurement, human resources management and the way peacekeeping missions are supported, we now do business in a new and different way. But these reforms do not go far enough. If the United Nations is to be truly effective the Secretariat will have to be completely transformed.

186. Those with the power to make decisions — essentially the General Assembly and the Security Council — must take care, when they assign mandates to the Secretariat, that they also provide resources adequate for the task. In return, management must be made more accountable and the capacity of intergovernmental bodies to oversee it must be strengthened. The Secretary-General and his or her managers must be given the discretion, the means, the authority and the expert assistance that they need to manage an organization which is expected to meet fast-changing operational needs in many different parts of the world. Similarly, Member States must have the oversight tools that they need to hold the Secretary-General truly accountable for his/her strategy and leadership.

187. Member States also have a central role to play in ensuring that the Organization's mandates stay current. **I therefore ask the General Assembly to review all mandates older than five years to see whether the activities concerned are still genuinely needed or whether the resources assigned to them can be reallocated in response to new and emerging challenges.**

188. Today's United Nations staff must be: (a) aligned with the new substantive challenges of the twenty-first century; (b) empowered to manage complex global operations; and (c) held accountable.

189. First, I am taking steps to realign the Secretariat's structure to match the priorities outlined in the present report. This will entail creating a peacebuilding support office and strengthening support both for mediation (my "good offices" function) and for democracy and the rule of law. In addition, I intend to appoint a Scientific Adviser to the Secretary-General, who will provide strategic forward-looking scientific advice on policy matters, mobilizing scientific and technological expertise within the United Nations system and from the broader scientific and academic community.

190. Achieving real progress in new areas requires staff with the skills and experience to address new challenges. It also requires a renewed effort to secure "the highest standards of efficiency, competence and integrity", as required by



Article 101.3 of the Charter of the United Nations, while “recruiting the staff on as wide a geographical basis as possible” and, we must add today, ensuring a just balance between men and women. While existing staff must have reasonable opportunities to develop within the Organization we cannot continue to rely on the same pool of people to address all our new needs. **I therefore request the General Assembly to provide me with the authority and resources to pursue a one-time staff buyout so as to refresh and realign the staff to meet current needs.**

191. Second, the Secretariat must be empowered to do its work. The High-level Panel suggested that I appoint a second Deputy Secretary-General to improve the decision-making process on peace and security. Instead, I have decided to create a cabinet-style decision-making mechanism (with stronger executive powers than the present Senior Management Group) to improve both policy and management. It will be supported by a small cabinet secretariat to ensure the preparation and follow-up of decision making. In this way, I expect to be able to ensure more focused, orderly and accountable decision-making. This should help but will not by itself be enough to ensure the effective management of the worldwide operations of such a complex Organization. The Secretary-General, as Chief Administrative Officer of the Organization, must be given a higher level of managerial authority and flexibility. He or she needs to have the ability to adjust the staffing table as necessary and without undue constraint. And our administrative system needs to be thoroughly modernized. **Therefore, I ask Member States to work with me to undertake a comprehensive review of the budget and human resources rules under which we operate.**

192. Third, we must continue to improve the transparency and accountability of the Secretariat. The General Assembly has taken an important step towards greater transparency by making internal audits available to Member States upon request. I am in the process of identifying other categories of information that could be made available routinely. I am establishing a Management Performance Board to ensure that senior officials are held accountable for their actions and the results their units achieve. A number of other internal improvements are under way. These aim to align our management systems and human resource policies with the best practices of other global public and commercial organizations. **In order to further improve accountability and oversight I have proposed that the General Assembly commission a comprehensive review of the Office of Internal Oversight Services with a view to strengthening its independence and authority as well as its expertise and capacity.** I hope the Assembly will act promptly on this proposal.

#### D. System coherence

193. Beyond the Secretariat, the United Nations system of funds, programmes and specialized agencies brings together a unique wealth of expertise and resources, encompassing the full spectrum of global issues. And what is true for the United Nations proper is valid also for the other parts of the system. All must be clearly accountable to both their governing bodies and the people they serve.

194. Over the past few decades, responding to steadily growing demand, the system has seen a welcome expansion in its membership as well as in the scale and scope of its activities. One unfortunate side-effect of this has been that there is now often

significant duplication of mandates and actions between different bodies within the system. Another has been significant shortfalls in necessary funding.

195. To try to address some of these problems I have launched two sets of major reforms during my time as Secretary-General. First, in my 1997 report, entitled "Renewing the United Nations: a programme for reform" (A/51/950), I introduced several measures, including notably the creation of executive committees, to strengthen the leadership capacity of the Secretariat and provide better coordination in the humanitarian and development fields. Then in 2002, in a second report, entitled "Strengthening the United Nations: an agenda for further change" (A/57/387 and Corr.1), I set out further steps aimed more directly at improving our work at country level, particularly by strengthening the resident coordinator system. I have also given more authority to my special representatives and instituted a system of integrated peace operations.

196. These efforts have paid significant dividends by enabling the various agencies to work more closely together at the country level, both with each other and with other partners, such as the World Bank. Nevertheless, the United Nations system as a whole is still not delivering services in the coherent, effective way that the world's citizens need and deserve.

197. Part of the problem is clearly related to the structural constraints we face. In the medium and longer term, we will need to consider much more radical reforms to address these. Such reforms could include grouping the various agencies, funds and programmes into tightly managed entities, dealing respectively with development, the environment and humanitarian action. And this regrouping might involve eliminating or merging those funds, programmes and agencies which have complementary or overlapping mandates and expertise.

198. Meanwhile, there are more immediate actions that we can and should take now. In particular, I am introducing further improvements in the coordination of the United Nations system presence and performance at the country level, based on a simple principle: at every stage of United Nations activities, the senior United Nations official present in any given country — special representative, resident coordinator or humanitarian coordinator — should have the authority and resources necessary to manage an integrated United Nations mission or "country presence" so that the United Nations can truly function as one integrated entity.

#### **The United Nations at the country level**

199. In every country where the United Nations has a development presence, United Nations agencies, funds and programmes should organize their technical efforts to help that country develop and implement the national Millennium Development Goals-based poverty reduction strategies set out in section II above. While the management of the resident coordinator system should remain with the United Nations Development Programme (UNDP), which is our principal development institution, the broader United Nations Development Group (UNDG) should guide resident United Nations country teams, led by properly resourced and empowered resident coordinators. The United Nations Development Assistance Framework should identify a clear set of strategic objectives and define the specific assistance that each United Nations entity must give to help our national partners achieve the Goals and meet their broader development needs. Governments and the United Nations itself can then use this "results matrix" to monitor and assess the

performance of the United Nations system at the country level and hold its representatives accountable.

*Strengthening the resident coordinator system*

200. To drive this process, I shall further strengthen the role of my resident coordinators, giving them more authority so that they can coordinate better. But the governing boards of different agencies also need to provide guidance to support this process. **I call on Member States to coordinate their representatives on these governing boards so as to make sure that they pursue a coherent policy in assigning mandates and allocating resources throughout the system.** I also urge Member States to increase core funding and reduce the proportion of earmarked funds so as to help increase coherence in the system. As mentioned above, I hope a reinvigorated Economic and Social Council will give overall direction to this new coherence.

201. In recent years, I have been gratified by the benefits that the United Nations system has derived from working closely with independent scientists, policy makers and political leaders around the world. This is particularly true in the field of development, where we need constantly to integrate the latest advances in science and technology into the practice of our organizations and programmes. In 2005, to consolidate the links between United Nations development efforts and the world's leading minds in relevant fields I intend to launch a Council of Development Advisers. This Council, working in close cooperation with the Secretary-General's Scientific Adviser mentioned above, will comprise some two dozen people, who should represent a cross-section of leading world scientists, policy-making officials and political leaders. They will advise both me and UNDG on the best ways to support the achievement of the Millennium Development Goals, will issue periodic reports and commentaries, and will liaise with scientific, civil society and other bodies with relevant expertise. Their advice will also be available to the Economic and Social Council.

**Humanitarian response system**

202. From the Indian Ocean tsunami to the crises in Darfur and the eastern Democratic Republic of the Congo, recent months have provided eloquent testimony to the ever-growing range and scale of demands being placed on the international humanitarian response system. With leadership and coordination from the United Nations, the system that comprises the humanitarian community of agencies and non-governmental organizations has been performing reasonably well, under the circumstances. Expert humanitarian workers get deployed and large quantities of food and other relief items are now provided to victims of war and natural disasters anywhere in the world within a matter of days. There is less overlap between agencies and a more effective coordination between non-governmental and intergovernmental actors on the ground.

203. The system was able to provide massive relief to all tsunami-affected communities in the Indian Ocean, against all odds, in the course of a few weeks. Yet at the same time, assistance to displaced people in Darfur is falling well short of what had been pledged, while major crises, such as the one in the Democratic Republic of Congo, where more than 3.8 million people have been killed and 2.3 million displaced since 1997, remain woefully underfunded. Humanitarian response

needs to become more predictable in all emergencies. To achieve that we need to make rapid progress on three fronts.

204. First, the humanitarian system needs to have a more predictable response capacity in areas where now there too often are gaps, ranging from the provision of water and sanitation to shelter and camp management. When crises are already under way there is a need to operate quickly and flexibly. This is particularly the case in complex emergencies, during which humanitarian requirements are linked to the dynamics of conflict and circumstances can change rapidly. In general, it is the relevant United Nations country team, under the leadership of the humanitarian coordinator, which is best placed to identify the opportunities and constraints. However, there is a clear need to strengthen field coordination structures, notably by better preparing and equipping United Nations country teams, strengthening the leadership of the humanitarian coordinator and ensuring that sufficient and flexible resources are immediately available to support these field structures.

205. Second, we need predictable funding to meet the needs of vulnerable communities. We need to ensure that the generous outpouring of global support to the tsunami crisis becomes the rule, not the exception. This means building on the humanitarian community's work with the donor community and more systematically engaging with new donor Governments and the private sector. Ensuring consistent and timely responses to crises requires both that pledges be rapidly converted into tangible resources and that more predictable and flexible funding be made available for humanitarian operations, particularly in the initial emergency phases.

206. Third, we need to have a predictable right of access and guaranteed security for our humanitarian workers and operations in the field. Humanitarian personnel are too often blocked from providing assistance because government forces or armed groups prevent them from doing their jobs. Elsewhere, terrorists attack our unarmed aid workers and paralyse operations, in violation of basic international law.

207. I am working with my Emergency Relief Coordinator to address these issues and to come up with concrete recommendations for strengthened action. A comprehensive humanitarian response review is currently under way and its findings will be made available in June 2005. **I expect them to include a series of proposals for new standby arrangements for personnel and equipment to ensure the capacity to respond immediately to major disasters and other emergencies, if need be in several areas at the same time.** I shall work with Member States and agencies to ensure that these proposals, once finalized, will be implemented without delay.

208. To enable immediate response to sudden disasters or large unmet needs in neglected emergencies, we need to consider the adequacy of the financial tools at our disposal. **We should examine whether the existing Central Emergency Revolving Fund should be upgraded or a new funding mechanism should be established.** In the latter case, the proposal put forward by donors to set up a \$1 billion voluntary fund deserves serious consideration.

209. Special attention is due to the growing problem of internally displaced persons. Unlike refugees, who have crossed an international border, those displaced within their own countries by violence and war are not protected by established minimum standards.

210. Yet this acutely vulnerable group now totals roughly 25 million, more than double the estimated number of refugees. **I urge Member States to accept the Guiding Principles on Internal Displacement (E/CN.4/1998/53/Add.2) prepared by my Special Representative as the basic international norm for protection of such persons, and to commit themselves to promote the adoption of these principles through national legislation.** Unlike refugees, who are looked after by the Office of the United Nations High Commissioner for Refugees, internally displaced persons and their needs often fall into the cracks between different humanitarian bodies. Recent steps have been taken to ensure that agencies provide assistance to such groups within their respective areas of competence, on a collaborative basis. But, as we have seen most recently in Darfur, more is needed. **I intend to strengthen further the inter-agency response to the needs of internally displaced persons, under the global leadership of my Emergency Relief Coordinator, and at the country level through the humanitarian coordinator system. I trust that Member States will support me in this effort.**

211. Finally, I intend to call more systematically on Member States in general and the Security Council in particular to address the unacceptable humanitarian access blockages that we are too often facing. **In order to save unnecessary pain and suffering it is essential to protect humanitarian space and ensure that humanitarian actors have safe and unimpeded access to vulnerable populations.** I shall also take measures, through the newly established Secretariat Department of Safety and Security, to make our risk management system more robust so that humanitarian workers can undertake their life-saving operations in high risk areas without unduly endangering their own lives.

#### **Governance of the global environment**

212. Given the number and complexity of international agreements and agencies that cover it, the environment poses particular challenges to coherence. There are now more than 400 regional and universal multilateral environmental treaties in force, covering a broad range of environmental issues, including biodiversity, climate change and desertification. The sectoral character of these legal instruments and the fragmented machinery for monitoring their implementation make it harder to mount effective responses across the board. There is a clear need to streamline and consolidate our efforts to follow up and implement these treaties. Already in 2002, the World Summit on Sustainable Development, held in Johannesburg, emphasized the need for a more coherent institutional framework of international environmental governance, with better coordination and monitoring. **It is now high time to consider a more integrated structure for environmental standard-setting, scientific discussion and monitoring treaty compliance. This should be built on existing institutions, such as the United Nations Environment Programme, as well as the treaty bodies and specialized agencies. Meanwhile, environmental activities at the country level should benefit from improved synergies, on both normative and operational aspects, between United Nations agencies, making optimal use of their comparative advantages, so that we have an integrated approach to sustainable development, in which both halves of that term are given their due weight.**

**E. Regional organizations**

213. A considerable number of regional and subregional organizations are now active around the world, making important contributions to the stability and prosperity of their members, as well as of the broader international system. The United Nations and regional organizations should play complementary roles in facing the challenges to international peace and security. **In this connection, donor countries should pay particular attention to the need for a 10-year plan for capacity-building with the African Union.** To improve coordination between the United Nations and regional organizations, within the framework of the Charter of the United Nations, I intend to introduce memoranda of understanding between the United Nations and individual organizations, governing the sharing of information, expertise and resources, as appropriate in each case. For regional organizations that have a conflict prevention or peacekeeping capacity, these memoranda of understanding could place those capacities within the framework of the United Nations Standby Arrangements System.

214. I also intend to invite regional organizations to participate in meetings of United Nations system coordinating bodies, when issues in which they have a particular interest are discussed.

215. **The rules of the United Nations peacekeeping budget should be amended to give the United Nations the option, in very exceptional circumstances, to use assessed contributions to finance regional operations authorized by the Security Council, or the participation of regional organizations in multi-pillar peace operations under the overall United Nations umbrella.**

**F. Updating the Charter of the United Nations**

216. As I remarked at the beginning of section V, the principles of the Charter of the United Nations remain fully valid, and the Charter itself, in the main, continues to provide a solid foundation for all our work. It is still essentially the document that was drafted at the San Francisco Conference six decades ago. Much has been achieved by changes in practice without the need for amendment. In fact, the Charter has been amended only twice during the history of the Organization — for the purpose of enlarging the membership of the Security Council and the Economic and Social Council.

217. Nonetheless, the United Nations now operates in a radically different world from that of 1945, and the Charter should reflect the realities of today. **In particular, it is high time to eliminate the anachronistic “enemy” clauses in Articles 53 and 107 of the Charter.**

218. The Trusteeship Council played a vital role in raising standards of administration in the trust territories and promoting the wider process of decolonization. But its work is long since complete. **Chapter XIII, “The Trusteeship Council”, should be deleted from the Charter.**

219. **For similar reasons, Article 47 on The Military Staff Committee should be deleted, as should all references to this Committee in Articles 26, 45 and 46.**

## VI. Conclusion: our opportunity and our challenge

220. At no time in human history have the fates of every woman, man and child been so intertwined across the globe. We are united both by moral imperatives and by objective interests. We can build a world in larger freedom — but to do it we must find common ground and sustain collective action. This task can seem daunting, and it is easy to descend into generalities or stray into areas of such deep disagreement that differences are reinforced not overcome.

221. Yet it is for us to decide whether this moment of uncertainty presages wider conflict, deepening inequality and the erosion of the rule of law, or is used to renew our common institutions for peace, prosperity and human rights. Now is the time to act. Enough words and good intentions: in the present report I have largely limited myself to the decisions that I believe are both needed and achievable in 2005. In the annex, I have listed a number of specific items for consideration by Heads of State and Government.

222. To make the right choice, leaders will need what United States President Franklin D. Roosevelt, whose vision was so central to the founding of the United Nations, called “the courage to fulfil [their] responsibilities in an admittedly imperfect world”.<sup>22</sup> They will also need the wisdom to transcend their differences. Given firm, clear-sighted leadership, both within States and among them, I am confident that they can. I am also certain that they must. What I have called for here is possible. It is within reach. From pragmatic beginnings could emerge a visionary change of direction in our world. That is our opportunity and our challenge.

### Notes

<sup>1</sup> General Assembly resolution 55/2.

<sup>2</sup> *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals* (United Nations publication, Sales No. 05.III.B.4); see also <http://www.unmillenniumproject.org>.

<sup>3</sup> *A Fair Globalization: Creating Opportunities for All* (Geneva, International Labour Organization, 2004).

<sup>4</sup> *Unleashing Entrepreneurship: Making Business Work for the Poor* (United Nations publication, Sales No. 04.III.B.4).

<sup>5</sup> See *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

<sup>6</sup> United Nations, *Treaty Series*, vol. 1522, No. 26369.

<sup>7</sup> United Nations, *Treaty Series*, vol. 1954, No. 33480.

<sup>8</sup> See United Nations Environment Programme, Convention on Biological Diversity (Environmental Law and Institution Programme Activity Centre), June 1992.

<sup>9</sup> See *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1), chap. I, resolution 2, annex, para. 44.

<sup>10</sup> FCCC/CP/1997/7/Add.1, decision 1/CP.3, annex.

<sup>11</sup> A/AC.237/18 (Part II)/Add.1 and Corr.1, annex I.

<sup>12</sup> United Nations, *Treaty Series*, vol. 729, No. 10485.

<sup>13</sup> See *Official Records of the General Assembly, Forty-seventh Session, Supplement No. 27* (A/47/27), appendix 1.

<sup>14</sup> General Assembly resolution 2826 (XXVI), annex.

<sup>15</sup> See *Report of the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, New York, 9-20 July 2001* (A/CONF. 192/15), chap. IV.

<sup>16</sup> CD/1478

<sup>17</sup> CCW/CONF. I/16 (Part I), annex B.

<sup>18</sup> See *The United Nations Disarmament Yearbook*, vol. 5: 1980 (United Nations publications, Sales No. E.81.IX.4), appendix VII.

<sup>19</sup> General Assembly resolution 217 A (III).

<sup>20</sup> General Assembly resolution 55/96.

<sup>21</sup> General Assembly resolution 2200 A (XXI).

<sup>22</sup> See message of the United States President to Congress dated 6 January 1945.



**Annex****For decision by Heads of State and Government**

1. The Summit will be a unique opportunity for the world's leaders to consider a broad range of issues and make decisions that will improve the lives of people around the world significantly. This is a major undertaking — one worthy of the world's leaders collectively assembled.
2. In the twenty-first century, all States and their collective institutions must advance the cause of larger freedom — by ensuring freedom from want, freedom from fear and freedom to live in dignity. In an increasingly interconnected world, progress in the areas of development, security and human rights must go hand in hand. There will be no development without security and no security without development. And both development and security also depend on respect for human rights and the rule of law.
3. No State can stand wholly alone in today's world. We all share responsibility for each other's development and security. Collective strategies, collective institutions and collective action are indispensable.
4. Heads of State and Government must therefore agree on the nature of the threats and opportunities before us and take decisive action.

**I. Freedom from want**

5. In order to reduce poverty and promote global prosperity for all, I urge Heads of State and Government to:

(a) Reaffirm, and commit themselves to implementing, the development consensus based on mutual responsibility and accountability agreed in 2002 at the International Conference on Financing for Development held in Monterrey, Mexico, and the World Summit on Sustainable Development held in Johannesburg, South Africa. Consistent with that historic compact, centred on the Millennium Development Goals:

- (i) Developing countries should recommit themselves to taking primary responsibility for their own development by strengthening governance, combating corruption and putting in place the policies and investments to drive private-sector led growth and maximize domestic resources to fund national development strategies;
- (ii) Developed countries should undertake to support these efforts through increased development assistance, a more development-oriented trade system and wider and deeper debt relief;
- (b) Recognize the special needs of Africa and reaffirm the solemn commitments made to address those needs on an urgent basis;
- (c) Decide that each developing country with extreme poverty should by 2006 adopt and begin to implement a comprehensive national strategy bold enough to meet the Millennium Development Goals targets for 2015;

(d) Undertake to ensure that developed countries that have not already done so establish timetables to achieve the target of 0.7 per cent of gross national income for official development assistance by no later than 2015, starting with significant increases no later than 2006 and reaching at least 0.5 per cent by 2009;

(e) Decide that debt sustainability should be redefined as the level of debt that allows a country to both achieve the Millennium Development Goals and reach 2015 without an increase in its debt ratios; that, for most HIPC countries, this will require exclusively grant-based finance and 100 per cent debt cancellation, while for many heavily indebted non-HIPC and middle-income countries it will require significantly more debt reduction than has yet been on offer; and that additional debt cancellation should be achieved without reducing the resources available to other developing countries and without jeopardizing the long-term financial viability of international financial institutions;

(f) Complete the World Trade Organization Doha round of multilateral trade negotiations no later than 2006, with full commitment to realizing its development focus, and as a first step provide immediate duty-free and quota-free market access for all exports from the least developed countries;

(g) Decide to launch, in 2005, an International Financial Facility to support an immediate front-loading of official development assistance, underpinned by commitments to achieving the 0.7 per cent ODA target no later than 2015; and to consider other innovative sources of finance for development to supplement the Facility in the longer term;

(h) Decide to launch a series of "quick win" initiatives so as to realize major immediate progress towards the Millennium Development Goals through such measures as the free distribution of malaria bednets and effective antimalaria medicines, the expansion of home-grown school meals programmes using locally produced foods and the elimination of user fees for primary education and health services;

(i) Ensure that the international community urgently provides the resources needed for an expanded and comprehensive response to HIV/AIDS, as identified by UNAIDS and its partners, and full funding for the Global Fund to fight AIDS, tuberculosis and malaria;

(j) Reaffirm gender equality and the need to overcome pervasive gender bias by increasing primary school completion and secondary school access for girls, ensuring secure tenure of property to women, ensuring access to reproductive health services, promoting equal access to labour markets, providing opportunity for greater representation in government decision-making bodies, and supporting direct interventions to protect women from violence;

(k) Recognize the need for significantly increased international support for scientific research and development to address the special needs of the poor in the areas of health, agriculture, natural resource and environmental management, energy and climate;

(l) Ensure concerted global action to mitigate climate change, including through technological innovation, and therefore resolve to develop a more inclusive international framework for climate change beyond 2012, with broader participation

by all major emitters and both developing and developed countries, taking into account the principle of common but differentiated responsibilities;

(m) Resolve to establish a worldwide early warning system for all natural hazards, building on existing national and regional capacity;

(n) Decide that, starting in 2005, developing countries that put forward sound, transparent and accountable national strategies and require increased development assistance should receive a sufficient increase in aid, of sufficient quality and arriving with sufficient speed to enable them to achieve the Millennium Development Goals.

## II. Freedom from fear

6. In order to provide effective collective security in the twenty-first century, I urge Heads of State and Government to pledge concerted action against the whole range of threats to international peace and security, and in particular to:

(a) Affirm and commit themselves to implementing a new security consensus based on the recognition that threats are interlinked, that development, security and human rights are mutually interdependent, that no State can protect itself acting entirely alone and that all States need an equitable, efficient and effective collective security system; and therefore commit themselves to agreeing on, and implementing, comprehensive strategies for confronting the whole range of threats, from international war through weapons of mass destruction, terrorism, State collapse and civil conflict to deadly infectious disease, extreme poverty and the destruction of the environment;

(b) Pledge full compliance with all articles of the Treaty on the Non-Proliferation of Nuclear Weapons, the Biological and Toxin Weapons Convention, and the Chemical Weapons Convention in order to further strengthen the multilateral framework for non-proliferation and disarmament, and in particular:

(i) Resolve to bring to an early conclusion negotiations on a fissile material cut-off treaty;

(ii) Reaffirm their commitment to a moratorium on nuclear test explosions and to the objective of the entry into force of the Comprehensive Nuclear Test-Ban Treaty;

(iii) Resolve to adopt the Model Additional Protocol as the norm for verifying compliance with the Treaty on the Non-Proliferation of Nuclear Weapons;

(iv) Commit themselves to expediting agreement on alternatives, consistent with the Treaty on the Non-Proliferation of Nuclear Weapons principles of the right to peaceful uses and the obligations for non-proliferation, to the acquisition of domestic uranium enrichment and plutonium separation facilities;

(v) Commit themselves to further strengthening the Biological and Toxin Weapons Convention;

(vi) Urge all chemical-weapon States to expedite the scheduled destruction of chemical-weapon stockpiles;

(c) Develop legally binding international instruments to regulate the marking, tracing and illicit brokering of small arms and light weapons; and ensure the effective monitoring and enforcement of United Nations arms embargoes;

(d) Affirm that no cause or grievance, no matter how legitimate, justifies the targeting and deliberate killing of civilians and non-combatants; and declare that any action that is intended to cause death or serious bodily harm to civilians or non-combatants, when the purpose of such an act, by its nature or context, is to intimidate a population or to compel a Government or an international organization to do or to abstain from doing any act, constitutes an act of terrorism;

(e) Resolve to implement the comprehensive United Nations counter-terrorism strategy presented by the Secretary-General to dissuade people from resorting to terrorism or supporting it; deny terrorists access to funds and materials; deter States from sponsoring terrorism; develop State capacity to defeat terrorism; and defend human rights;

(f) Resolve to accede to all 12 international conventions against terrorism; and instruct their representatives to:

(i) Conclude a convention on nuclear terrorism as a matter of urgency;

(ii) Conclude a comprehensive convention on terrorism before the end of the sixtieth session of the General Assembly;

(g) Commit themselves to acceding, as soon as possible, to all relevant international conventions on organized crime and corruption, and take all necessary steps to implement them effectively, including by incorporating the provisions of those conventions into national legislation and strengthening criminal justice systems;

(h) Request the Security Council to adopt a resolution on the use of force that sets out principles for the use of force and expresses its intention to be guided by them when deciding whether to authorize or mandate the use of force; such principles should include: a reaffirmation of the provisions of the Charter of the United Nations with respect to the use of force, including those of Article 51; a reaffirmation of the central role of the Security Council in the area of peace and security; a reaffirmation of the right of the Security Council to use military force, including preventively, to preserve international peace and security, including in cases of genocide, ethnic cleansing and other such crimes against humanity; and the need to consider — when contemplating whether to authorize or endorse the use of force — the seriousness of the threat, the proper purpose of the proposed military action, whether means short of the use of force might reasonably succeed in stopping the threat, whether the military option is proportional to the threat at hand and whether there is a reasonable chance of success;

(i) Agree to establish a Peacebuilding Commission along the lines suggested in the present report, and agree to establish and support a voluntary standing fund for peacebuilding;

(j) Create strategic reserves for United Nations peacekeeping; support the efforts by the European Union, the African Union and others to establish standby capacities as part of an interlocking system of peacekeeping capacities; and establish a United Nations civilian police standby capacity;

(k) Ensure that Security Council sanctions are effectively implemented and enforced, including by strengthening the capacity of Member States to implement sanctions, establishing well resourced monitoring mechanisms, and ensuring effective and accountable mechanisms to mitigate the humanitarian consequences of sanctions.

### **III. Freedom to live in dignity**

7. I urge Heads of State and Government to recommit themselves to supporting the rule of law, human rights and democracy — principles at the heart of the Charter of the United Nations and the Universal Declaration of Human Rights. To this end, they should:

(a) Reaffirm their commitment to human dignity by action to strengthen the rule of law, ensure respect for human rights and fundamental freedoms and promote democracy so that universally recognized principles are implemented in all countries;

(b) Embrace the “responsibility to protect” as a basis for collective action against genocide, ethnic cleansing and crimes against humanity, and agree to act on this responsibility, recognizing that this responsibility lies first and foremost with each individual State, whose duty it is to protect its population, but that if national authorities are unwilling or unable to protect their citizens, then the responsibility shifts to the international community to use diplomatic, humanitarian and other methods to help protect civilian populations, and that if such methods appear insufficient the Security Council may out of necessity decide to take action under the Charter, including enforcement action, if so required;

(c) Support the 2005 treaty event, focusing on 31 multilateral treaties, and encourage any Government that has not done so to agree to ratify and implement all treaties relating to the protection of civilians;

(d) Commit themselves to supporting democracy in their own countries, their regions and the world, and resolve to strengthen the United Nations capacity to assist emerging democracies, and to that end welcome the creation of a Democracy Fund at the United Nations to provide funding and technical assistance to countries seeking to establish or strengthen their democracy;

(e) Recognize the important role of the International Court of Justice in adjudicating disputes among countries and agree to consider means to strengthen the work of the Court.

### **IV. The imperative for collective action: strengthening the United Nations**

8. To make the United Nations a more effective and efficient instrument for forging a united response to shared threats and shared needs, I urge Heads of State and Government to:

(a) Reaffirm the broad vision of the founders of the United Nations, as set out in the Charter of the United Nations, for it to be organized, resourced and equipped to address the full range of challenges confronting the peoples of the

world across the broad fields of security, economic and social issues, and human rights, and in that spirit to commit themselves to reforming, restructuring and revitalizing its major organs and institutions, where necessary, to enable them to respond effectively to the changed threats, needs and circumstances of the twenty-first century;

#### **General Assembly**

- (b) Revitalize the General Assembly by:
  - (i) Instructing their representatives to adopt, at its sixtieth session, a comprehensive package of reforms to revitalize the General Assembly, including by rationalizing its work and speeding up the deliberative process, streamlining its agenda, its committee structure and its procedures for plenary debates and requesting reports, and strengthening the role and authority of its President;
  - (ii) Resolving to give focus to the substantive agenda of the General Assembly by concentrating on addressing the major substantive issues of the day, such as international migration and the long-debated comprehensive convention on terrorism;
  - (iii) Establishing mechanisms enabling the Assembly to engage fully and systematically with civil society;

#### **Security Council**

- (c) Reform the Security Council to make it more broadly representative of the international community as a whole and the geopolitical realities of today, and to expand its membership to meet these goals, by:
  - (i) Supporting the principles for the reform of the Council and considering the two options, models A and B, proposed in the present report, as well as any other viable proposals in terms of size and balance that have emerged on the basis of either model;
  - (ii) Agreeing to take a decision on this important issue before the summit in September 2005. It would be far preferable for Member States to take this vital decision by consensus. If, however, they are unable to reach consensus, this must not become an excuse for postponing action;

#### **Economic and Social Council**

- (d) Reform the Economic and Social Council by:
  - (i) Mandating the Economic and Social Council to hold annual ministerial-level assessments of progress towards agreed development goals, particularly the Millennium Development Goals;
  - (ii) Deciding that it should serve as a high-level development cooperation forum, reviewing trends in international development cooperation, promoting greater coherence among the development activities of different actors and strengthening the links between the normative and operational work of the United Nations;

(iii) Encouraging it to convene timely meetings, as required, to assess threats to development, such as famines, epidemics and major natural disasters, and to promote coordinated responses to them;

(iv) Deciding that the Council should regularize its work in post-conflict management by working with the proposed Peacebuilding Commission;

#### **Proposed Human Rights Council**

(c) Agree to replace the Commission on Human Rights with a smaller standing Human Rights Council, as a principal organ of the United Nations or subsidiary body of the General Assembly, whose members would be elected directly by the General Assembly by a two-thirds majority of members present and voting;

#### **Secretariat**

(f) Reform the Secretariat by:

(i) Endorsing the Secretary-General's request that the General Assembly review all mandates older than five years to see if the activities concerned are still genuinely needed or whether resources assigned to them can be reallocated in response to new and emerging challenges;

(ii) Agreeing to provide the Secretary-General with the authority and resources to pursue a one-time staff buyout so as to refresh and realign the staff to meet current needs;

(iii) Deciding that Member States should work with the Secretary-General to undertake a comprehensive review of the budget and human resources rules under which the Organization operates;

(iv) Endorsing the package of management reforms that the Secretary-General is undertaking to improve accountability, transparency and efficiency within the Secretariat;

(v) Commissioning a comprehensive review of the Office of Internal Oversight Services with a view to strengthening its independence and authority, as well as its expertise and capacity;

#### **System-wide coherence**

(g) Ensure stronger system-wide coherence by resolving to coordinate their representatives on the governing boards of the various development and humanitarian agencies so as to make sure that they pursue a coherent policy in assigning mandates and allocating resources throughout the system;

(h) Commit themselves to protecting humanitarian space and ensuring that humanitarian actors have safe and unimpeded access to vulnerable populations; resolve to act on proposals to accelerate humanitarian response by developing new funding arrangements to ensure that emergency funding is available immediately; and support the Secretary-General's effort to strengthen the inter-agency and country-level responses to the needs of internally displaced persons;

(i) Recognize the need for a more integrated structure for environmental standard-setting, scientific discussion and monitoring, and treaty compliance that is built on existing institutions, such as UNEP, as well as the treaty bodies and

specialized agencies, and that assigns environmental activities at the operational level to the development agencies to ensure an integrated approach to sustainable development;

**Regional organizations**

(j) Support a stronger relationship between the United Nations and regional organizations, including by, as a first step, developing and implementing a 10-year plan for capacity-building with the African Union, and by ensuring that regional organizations that have a capacity for conflict prevention or peacekeeping consider the option of placing such capacities in the framework of the United Nations Standby Arrangements System;

**Charter of the United Nations**

(k) Decide to eliminate the references to "enemy States" contained in Articles 53 and 107 of the Charter of the United Nations; to delete Article 47 on the Military Staff Committee and the references to the Committee contained in Articles 26, 45 and 46; and to delete Chapter XIII on The Trusteeship Council.



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Chairman HYDE. Thank you, Mr. Malloch Brown. We will now entertain questions and first, Mr. Lantos.

Mr. LANTOS. Thank you, Mr. Chairman. I wonder to what extent Secretary-General Annan and you and your team have focused on the inherent structural problem of the United Nations wherein tiny destitute dictatorships have the same vote in the General Assembly that the United Kingdom or the United States have. It has created over the years an untold series of problems, making the UN irrelevant in the eyes of many, a worthless debating society.

I would like to ask you to address this issue first, if I may, Mr. Malloch Brown, because there is an underlying fundamental credibility problem when we constantly see attempts to equate the General Assembly to a parliamentary body. Well, it clearly is not a parliamentary body. A tiny dictatorship, destitute in its economy, is not the equivalent of the United States of America in either voting strength or the weight that its views ought to carry.

Mr. BROWN. Mr. Lantos, thank you very much. We very much have taken into account this issue in the Secretary-General's reform plans. At the moment, we have the very powerful but very exclusive Security Council and the relatively unpowerful but very noisy General Assembly. It is not a terribly functional arrangement. It is a club of the included and the excluded in terms of the culture of the UN. Those who are in the General Assembly, far from feeling it to be very powerful, are frustrated by its lack of relevance to real decisions.

So the Secretary-General's vision for reform is to create three councils. An enlarged Security Council more representative of world power today, with perhaps 24 or 25 members versus the current 15; a strengthened economic and social council to focus particularly on the fight against poverty around the world; the tracking of progress toward the Millennium Development Goals of halving poverty; of universal education for boys and girls, etc.

And then this new Human Rights Council, built out of the ashes of collapsing the current commission with all the weaknesses that have been referred to. Between them, these three would have 100 or so members, if you add up the membership of each. And this would allow member states to participate in a much more serious set of opportunities than has been the case until now.

But in each, looking at membership on basis of relevance or in the case of the Human Rights Council, trying to insist on a minimum human rights standards and a two-thirds vote in the General Assembly for members and in the Security Council, looking to more representativeness vis-a-vis the world economy, we hope that three very serious, very thoughtful and collaborative councils can be built, which will not repeat the kind of attitudes and rhetoric of the General Assembly which frustrates you so and will become between them three pillars of a responsible, effective focused new United Nations.

Mr. LANTOS. Have you or the Secretary-General given any serious thought to making membership in the Security Council—either in the new expanded category of permanent members or rotating members—contingent upon all members contributing to UN peacekeeping operations in a physical sense, not just in a financial sense?

Mr. BROWN. Well, it is an interesting idea, and I know that you are getting at the fact that while the financial burden of peacekeeping falls disproportionately on the United States and other Western countries, the physical burden, the troops, are increasingly just from developing countries. Of the almost 70,000 troops currently serving in UN peacekeeping missions around the world, I think I am right in saying that only four are Americans. And just be clear, there are not many Europeans either. I mean, it is just that it has become very much a developing country troop-contributing model. And that is a real pity. It is a real loss in all sorts of ways. We argue very hard for America and others to contribute, because it gives a huge political seriousness to these peacekeeping operations if the U.S. or U.K. or others are part of the physical force.

But it is not up to the Secretary-General to set those kinds of conditions. He is very aware that that is an inter-governmental issue that governments need to settle on and he would interfere in it, I think, at his peril.

Mr. LANTOS. If I may ask one final question, what specific proposals does the Secretary-General have for ending the sickening pattern of singling out Israel as the cause of all international problems?

Mr. BROWN. Well, you know, first, I think you know that we, because you were there, had a really remarkable celebration, if that is the word to use, anniversary, memory, of the 60th anniversary of the Holocaust at the UN and suspended many of the normal rules of procedure to allow it to be an event where Israel was celebrated, too, in all its richness as a society.

Then the Secretary-General went to Yad Vashem, to the opening of the memorial museum in Israel. And I think if you were to ask someone such as Ambassador Gillerman, the Israeli Ambassador to the UN, I think he would tell you that this Secretary-General is

doing his utmost to try and wipe the slate clean of these terrible former traces of anti-Semitism. But there are some things that governments have to fix, including Israel's participation in the western European group of nations which is up to governments, not the Secretary-General, to resolve.

Mr. LANTOS. Thank you, Mr. Chairman.

Chairman HYDE. Mr. Smith of New Jersey.

Mr. SMITH. Thank you very much. Mr. Malloch Brown, thank you for making yourself available for this briefing.

Let me just focus for a moment on the peacekeeping issue which our Committee has spent an enormous amount of time on. Over the years, obviously, there have been mixed successes. Some of the peacekeeping has been outstanding, like in East Timor. And UNPROFOR, the failed effort in the former Yugoslavia, is an example of a very flawed mandate. But I would like to focus especially on what I think is a very aggressive attempt by the United Nations, working very strongly with the United States and other partners to really make zero tolerance when it comes to exploitation, not zero compliance as we heard just as recently as 8 weeks ago when we had a hearing on the Congo.

I just want to point out for the record that I take your point and I would agree with it, that we need to be much more involved with UN peacekeeping from the standpoint of participation. But we should never overlook the fact that in places like South Korea, where we have over 30,000, I think it is 37,000 United States military personnel deployed in what was a UN mission to save South Korea from the aggression from North Korea. Obviously in Iraq and Afghanistan and Europe we have deployments all over the world, which is why our defense budget is so high. So we do think that we provide peacekeepers and peacemakers all over the world. But I take your point and I think it is a good one.

If you would touch on how well you think the recommendations for reform are going to be received by the General Assembly and by the UN member states, because that is where the rubber meets the road. The reform proposals are good. I think they are outstanding, actually. The idea of vetting, the idea of training. Prince Zeid's recommendations were right on the money. I have read them. I think they are very, very good.

But we have seen good plans before that have gone awry because the member states failed to take it seriously, or there was a sense of this is today's issue and then by next week or next month or next year, it drops off and falls into the abyss. We would not want that to happen here. So, do you really have optimism that these reforms will take hold?

Mr. BROWN. I do. You know, because you mentioned her, Jane Holl Lute, my wonderful colleague, one of a number of formidable American women in senior jobs in the UN, Catherine Bertini having just left our ranks, but who will testify to you later. But Jane has been leading this effort in the department of peacekeeping to really try and fix this problem.

Her ally in this, as you mentioned, is the Jordanian Ambassador to the UN, Prince Zeid, and he is key. Because really the problem is not so much in the membership at large, or even amongst those paying the bills. It is in the troop-contributing countries. It re-

quires them to exert discipline over their troops and hold them accountable for behaviors which are not in every national setting treated with the same disgust and repulsion that we feel toward it.

Prince Zeid has been very effective in persuading these troop-contributing countries that they are jeopardizing their reputation and jeopardizing the honor of their nation by allowing these behaviors to happen.

So if you look now in the Congo, we, in the last year—well, sorry, 4 or 5 months, we have investigated some 147 personnel of whom 70-plus armed blue helmets have been expelled from the country and sent home. Five civilians have been fired. Several remain imprisoned in their own countries now. So we are seeing national justice and national military systems responding to our demands to work with us on these disciplinary issues, so, so far, so good.

Mr. SMITH. If I could, as the UN Human Rights Council is established, my hope would be that the human rights issues that are promoted, and the abuses that are highlighted and hopefully held to account, the abusers will be those that are truly human rights abuses. And I note again one of the flaws that I think with the Human Rights Commission, as well as with Louise Arbor's group, is that they have taken—and I have raised this with her personally in Geneva—the issue of the right to life of unborn children, also known as abortion, and have admonished certain countries to accept abortion as a human right. And I think that is the ultimate oxymoron. Unborn children—I believe in the declaration on the rights of the child, and the commission on the rights of the child, and the Preamble recognizes that unborn children are deserving of protection before as well as after birth. And that is the ultimate consensus breaker.

These children, as we know now through ultrasounds and diagnostic techniques, before birth, prenatal surgery, are human beings. And we also know that abortion hurts women and that is becoming increasingly clear, because groups like Silent No More, led by people like Alveda King, the niece of Martin Luther King who had an abortion, is now pro-life, have said that this is the ultimate abuse against women, because they get hurt. So I would hope that the Human Rights Council, as it evolves, would not misuse its authority to promote abortion on countries where the unborn are protected.

Chairman HYDE. The gentleman's time has expired. The gentleman from American Samoa, Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman, our Senior Ranking Member. I am pleased, Mr. Chairman, that Mr. Malloch Brown, the Chief of Staff to the Secretary-General is here with us. I appreciate his comments in his earlier statement and I am hopeful that he will convey to the Secretary-General at least for an update regarding a letter that was sent about 2 months ago, signed by 37 Members of Congress, including myself, joining me in signing what was calling for a thorough review of the United Nation's conduct concerning West Papua, New Guinea.

In what became known as an act of no choice, Mr. Chairman, some 1,025 West Papuan elders, under heavy military threat from the Indonesian Army, families being intimidated, were selected to

vote on behalf of some 1 million West Papuans on the territory's political status. In spite of serious violations of the United Nations' charter and the cries of help from the Papuans, West Papua was handed over to Indonesia in 1969. Since this time, West Papuans have suffered blatant human rights abuses, including executions, imprisonment, natural resources exploitation, and commercial dominance of immigrant communities.

In fact, the State Department alone acknowledges Indonesia's brutal record, stating that Indonesia security forces murdered, tortured, raped, beat, and arbitrarily detained civilian and members who are affiliated with West Papua, New Guinea. To put it in other terms, Mr. Chairman, over 100,000 West Papuans were murdered and tortured by the Indonesian military.

In 1990, Nelson Mandela reminded the United Nations that, and I quote: "It first discussed the South African question in 1946, it was discussing the issue of racism." And I submit that when we discuss the issue of West Papua, we are discussing the same. West Papuans differ racially from the majority of Indonesians. West Papuans are Melanesians believed to be of African descent.

We are discussing also the question of commercial exploitation. In 1995, the Grasberg ore mountain in West Papua was estimated to be worth more than \$54 billion. Local communities have received little or no compensation whatsoever from the Indonesian Government. In the statement before the UN concerning apartheid, Nelson Mandela said, and I quote:

"It will forever remain an accusation and challenge to all men and women of conscience that it took so long as it has before all of us stood up to say, enough is enough."

On the issue of West Papua, and I submit, Mr. Chairman, I believe enough is also enough. And like Archbishop Desmond Tutu also said, adding his voice of growing international calls for the United Nations Secretary-General to instigate a review of the UN's conduct in relation to allowing the discredit of the act of free choice. More than 170 parliamentarians from all over the world and 80 NGOs have now written to Secretary-General Kofi Annan, and I submit that it is time for the Secretary-General to act.

Special autonomy as supported by Indonesia's newly elected President is no answer. Special autonomy is simply an effort to divide and conquer and this must have been an unacceptable recourse for the people of conscience. Furthermore, the issue of West Papua is not an internal matter or an issue of territorial integrity. West Papua was a former Dutch colony, just as East Timor was a former Portuguese colony, just as Indonesia was also a former colony of the Dutch.

The historical evidence is clear on this matter, Mr. Chairman, and this is why East Timor achieved its independence from Indonesia in 2002, through a referendum sanctioned by the United Nations. This said, Mr. Chairman, I am hopeful that the United Nations will support the people of West Papua, New Guinea, and allow the people of West Papua their right to self-determination, just as it was given to the people of East Timor, and not at the barrel of a gun or by casting of a vote.

I realize, Mr. Malloch Brown, that I do not expect you to respond to my statement, but I did give you a copy of this petition letter that was signed by 37 Members of Congress, including myself, requesting that Secretary-General Kofi Annan thoroughly review again the history surrounding the circumstances concerning the United Nations' failure to give the people of West Papua due justice and allow them the privilege of exercising their right of self-determination, just as we did to the people of East Timor. I think my time is probably up, Mr. Chairman.

But I do not expect Mr. Malloch Brown to respond, but please, I would really appreciate it if you could convey the message to the Secretary-General for a response and hopefully that he will accept our request that we need to go back and revisit the issue in West Papua, New Guinea.

Thank you, Mr. Chairman. Thank you, Mr. Malloch Brown.

Chairman HYDE. Thank you. Mr. McCotter of Michigan.

Mr. MCCOTTER. Thank you, Mr. Chairman, and thank you again for holding this hearing. The more cynical amongst us would be tempted to remember that when a political machine is caught in corruption, the only sin that the political machine concedes is the sin of being caught.

So the cynical would think that the spark for UN reform internally at the UN, absent the outside influence of individuals that are pesky, like say the United States Congress, seems to be a bit strangely timed to the uncovering of the scandals that are occurring at the UN.

But I have a specific question for Mr. Brown. There was a recent newspaper story that talked about the United Nations Development Program granting a paid leave of absence to an individual to work on an American political campaign. Now, it is my understanding that that would be in violation of a staff regulation that says that you should insure that the participation in political activity does not reflect that somehow the UN is engaging in the internal politics and therefore, breaking their prime directive to be an international organization.

I was wondering if you could explain, because I guess there is an investigation going on, so I do not want to ask anything that is going to be unfair, what is the basis for granting an unpaid leave of absence for someone to engage on a domestic political campaign? And what is the basis for allowing someone to take a paid leave of absence to work on a political campaign? The paid is especially problematical for obvious reasons, as taxpayer money from the United States goes into the United Nations. If someone is able to work, receiving the benefit of the monies that go into the United Nations, it can be seen that in classic political machine terms, that the institution is helping to fund and subsidize campaigns at the taxpayer's expense, which I think would be a very big problem for people like me who are trying to figure out whether the UN is irredeemable or can be restored to the dream of Franklin Roosevelt.

Mr. BROWN. Well, first, if I may, sir, just on the timing, UN reform has not just started since Oil-for-Food. This Secretary-General came in in 1997 with a lot of reforms at that time, strongly supported by the United States. And in the case of the reform at UNDP, that was the consequence of an organization in financial



crisis that had lost its way to some extent, lost its sense of mission and purpose. And so I think, you know, there have been many other dynamics and triggers for reform in recent years.

What, however, Oil-for-Food has exposed, is that despite the major reorganization and improvement of humanitarian, peace-keeping and other operational areas that have taken place under Kofi Annan, that there are some key issues of audit oversight, financial disclosure, management accountability which were not fixed in those earlier reforms. And there is also, frankly, the coruscating grip of bureaucracy which has not been broken in the organization. And it is those issues which I think he recognizes he must, in his last period in office, fix if he is to leave the legacy he aspires to leave.

Now on the point about UNDP and the individual whom you read had taken time off to participate in an election campaign, let me just say that it was not a matter of paid leave or unpaid leave. He was taking his summer holiday, and without informing or seeking the permission of his superiors, he chose to spend it working on a campaign in his State.

Now, actually, UNDP staff who work all over the world—and many of them are nationals of the country in which they work—this is a continuing problem for us. They are dynamic young men and women who tend to have pretty strong political views of different varieties. You know, the rules of the UN are pretty clear on this, which is you must have no political activities which will embarrass the UN. So you can vote and the view is, you can, as a non-identified member of any kind of political structure, you can participate in political meetings. There is a certain level of activity that you are allowed as your individual rights as a citizen of whichever country you are a member.

But what you cannot do is join the campaign structure of an organization and that is what we are looking into. If he did it, what kind of barrier was crossed by doing it? I think it was an innocent mistake. We are waiting for the final results of the investigation to know, but it certainly does not amount to any subsidy, hidden or otherwise, by the UN of any side in the American political process.

Mr. McCOTTER. Thank you, Mr. Brown. Just quickly, the 1997 attempts at reform that have led us to this point do not inspire confidence in me that this can be internally handled. Secondly, I do not know about the rest of us, but I think it would be very difficult for a Member of Congress to say, “Yes, my staff member worked on a campaign. We paid him, but the rules do not apply when you are on your summer vacation.” It might make for interesting reports that you send to your teacher, but it does not make for an exception to the blanket rule that you cannot do this. Thank you.

Chairman HYDE. Mr. Delahunt of Massachusetts.

Mr. DELAHUNT. Thank you, Mr. Chairman and let me say, I have reviewed the proposals that have been put forward by the Secretary-General and I agree with Chairman Smith, they are good, they are sound, they are excellent. But they deal with the Secretariat.

And when we talk about UN reform, we are focusing on the Secretariat, but the bottom line is that it is the member states that run the United Nations, particularly the Security Council, not the Secretariat. And, again, as I indicated, with all due respect to you, Mr. Malloch Brown, you are hired help as is Kofi Annan and everyone else that serves in the Secretariat.

So if there is a reluctance on the part of the Security Council to enforce its own mandates, such as the sanctions regime, and you heard my opening remarks. If that is the case and we acknowledge that the reforms proposed by Kofi Annan are good, we are still faced with the problem of the Security Council. How do we go about reforming the Security Council? As I mentioned, we had these so-called trade protocols. We have all read about the Oil-for-Food Program and yet that is a minor piece of the problem. Almost 75 percent of the illicit, illegal revenue that went to Saddam Hussein in support of his regime was as the result of the Security Council not insisting on the enforcement of its own mandate.

I remember reading a report that said the Security Council "took note." What does that mean in real terms? I suggest it means nothing. How do we solve that problem? I mean, \$9 billion went to support the regime and my friend from California, I know he will call a hearing and hopefully we will get Madeleine Albright there and Colin Powell and maybe they can give us an explanation of why the U.S. Mission did not make an objection. Or maybe somebody else has that answer. But \$9 billion went to Saddam Hussein as a result of inaction by the Security Council. Can you help me?

Mr. BROWN. I am not sure I should. I mean, I think this is very much an issue for the Administration and Congress. I think that, indeed, some waivers were sought even from Congress, I am told, on some of this. But, you know, I think we all understand the political context of neighbors needing oil and some of them being allies of the U.S. or others on the Security Council.

But, of course, what it does show is that this \$9 billion was determined by a series of political decisions and is quite outside the issue of any individual corruption alleged toward UN officials. And I thank you for raising the issue, because it does put the real scandal of UN Oil-for-Food into important proportionality and context.

Chairman HYDE. Thank you. Mr. Flake of Arizona.

Mr. FLAKE. Thank you, Mr. Chairman. Thank you, Mr. Brown. With regard to the proposed reforms, kind of the three pillars, one being human rights, which would elevate human rights from its current position, the Commission for Human Rights. What is planned with regard to making a better situation than we have now? The situation now, as you know, we have countries like Cuba and Zimbabwe and Syria and Libya and others passing judgment on human rights or in a position to do that. Can you enlighten us as to what you have planned that will make the situation better?

Mr. FLAKE. Yes, Mr. Flake. The proposal and again, member states will have to agree to it, is that you would need two-thirds vote to be elected and that there should be a discussion also of criteria your country should meet in order to put your name forward. And indeed, for most of the membership to agree to vote for you.

But this will be, if you like, like any set of club rules. For the members to agree amongst themselves, but the whole purpose here

is to raise the bar of membership to make sure that the Council's membership is one that gives people confidence that it is a fair, balanced place to discuss human rights in.

I think many would argue that you do not want to make the definition so limited that only people with the most pure human rights reputations can participate, because part of the power of the UN is that less good performers have a chance to debate and mix with very good performers and hope that some of it rubs off. So you are never going to get just the United States and western Europe in such a body. That would be self-defeating. But we hope this would eliminate the kinds of countries that you have mentioned.

Mr. FLAKE. What has the Secretary-General said since 1997 in this regard? Has he been critical of the process? We just do not hear much, here at least. It is basically a fall back on, well, it is a member country. But why should we have any more confidence in the prospect of reform now than we have in the past? He has been there since 1997. You would think that some of this would actually have come into effect by now.

Mr. BROWN. A lot has, you know. GAO has looked at the implementation of the reforms he made in 1997 and a lot has been implemented and a lot hasn't been implemented, too, frankly. But what has been implemented has created a much more effective humanitarian response that some of you, at least, I think would acknowledge did a good job after the tsunami in Indonesia and is doing a vital job all over Africa as we speak, with different kinds of emergencies, manmade and natural. We have a much better development structure at the organization.

The peacekeeping operations, despite the problems that have been raised about sexual harassment and exploitation, nevertheless, is performing in many more countries to a much higher standard than before. And in an area like elections, we have gone from nowhere when Kofi Annan took over, to having provided the critical electoral support for Afghanistan, Iraq and several dozen other countries over the course of the last year alone. So huge changes have been made and he has been extremely critical, the Secretary-General, of issues like the Human Rights Commission, which have not lived up to the spirit of those reforms. So I think he has a good track of what he said and of criticizing the things that do not work.

Mr. FLAKE. Getting back to the Human Rights Commission and this newly formed commission or body, if we have a situation a couple of years from now with this newly constituted body where a country like Zimbabwe or Cuba or Syria could get on there again. At what point would the Secretary-General simply say, "I am sorry, this is not working. Let us walk away from it, let us not even have this facade that this Human Rights Commission even has any credibility." From our perspective, it is easier for us to go back to our constituents, taxpayers who are footing a lot of the bill here. You know, if you have somebody at the top willing to call a spade a spade and say, "I am sorry, this just is not credible."

We really have not seen that and, you know, after, what are we looking at, 8 years, there has been really no change in the human rights side. I just doubt without some kind of financial leverage, some kind of tying funds to reform if we are really going to get it. Thank you.

Chairman HYDE. Mr. Schiff of California.

Mr. SCHIFF. Thank you, Mr. Chairman. Mr. Malloch Brown, we appreciate your being here today and I appreciate the time you gave me when I visited the United Nations about a month or so ago.

I wanted to ask you about two issues. The first really involves the changing nature of the UN from its founding and its orientation toward dealing with the problem of interstate warfare to the equally, if not now more prevalent problem of intrastate violence. And I would like to ask you what progress has been made to reform some of the way the UN operates to deal with problems most tragically demonstrated in Darfur and the continued problem to get the United Nations to act when you are dealing with ostensibly one nation's sovereignty over its own internal affairs. But we are seeing now not only the internal terrible toll that takes but also its likelihood of leading to intrastate violence and problems for the entire region.

So if you could talk generally about the efforts that are being done to change the orientation of the UN to deal with that problem and specifically what the obstacles have been to doing more in Darfur? And then second, one of the proposals that I have been very supportive of, and Mr. Lantos has been a champion of, is the idea of strengthening a democracy caucus within the United Nations, and I would like to get your view on how that would affect the institution?

Mr. BROWN. Thank you and nice to see you again and thank you for visiting in New York. You know, on Darfur, I look at it as the litmus test of this group of managers of the UN, because it does have the potential to be a Rwanda that happens on our watch. It reflects a lack of organized political will by member states, including the Security Council, to do what it takes to stop what is happening. And that is an extremely dangerous situation to be in. Why I have made the comparison to Rwanda is only that there was a similar estrangement between the UN and its principal backers, including the United States, at that time, which allowed, if you like, a lack of political authority coming out of the UN to beef up its military mission there, to be able to credibly threaten those perpetrating genocide with the consequences if they continued.

We need that same credibility today in Darfur. We have a good African Union peacekeeping force there, but it is too small and underresourced. The Secretary-General and Mr. Konare of the African Union are going to co-host next week in Addis Ababa a donors' conference to raise the logistics and financial support to expand that African Union force. We are very much counting on strong American support for that and Secretary Rice has indicated it will be there.

But we have to go beyond that to a credible political voice to the Sudanese, as well, to make them understand the consequences of not acting. And also to make the rebel leadership understand the consequences of not getting a political negotiation going, as well. And for me, all the talk we have had this morning of UN reform will ultimately amount to nothing if Darfur happens on our watch. And I actually wear, and have made most of my senior colleagues wear, a little green wristband, Not on My Watch, Save Darfur, be-

cause this for me is the real litmus test of effective UN reform, that Darfur does not happen in terms of deteriorating into a possible new round of massive human rights violations.

On the democracy caucus, you know, the community of democracy is something that we in UNDP particularly have been huge supporters of. We hope that its membership will become an unofficial group within the UN to push for the promotion of democracy and human rights. That is for member states to organize and, you know, I think they have a lot of work to do to agree on how to work together around these issues.

But, you know, central to the Secretary-General's vision to his reform plan is that we are promoting democracy as one of the critical human rights of people everywhere. That requires democratic states to act with us to promote that goal inside the organization.

Mr. SCHIFF. Mr. Malloch Brown, in the remaining few seconds I have left, why is more progress not being made on Darfur? Is it a lack of resolution within the Security Council? I mean, if this is a litmus test, and I agree it is, so far the results are not promising.

Mr. BROWN. May I answer, Mr. Chairman?

Chairman HYDE. Please.

Mr. BROWN. Well, I think it goes to the core of this problem of everybody wants to stop Darfur happening, nobody wants to put their own troops in harm's way. This is a very difficult conflict and in an area of Sudan the size of France, a long way from anywhere in terms of deploying troops and resources. The Sudanese have made it very clear, they only want African troops and will make trouble for a non-African peacekeeping force.

So the barriers to action and the risks are high, and the political pressure on governments to say, "Whatever the risks, the needs mean we must get there and do the job" are not there. So I believe we have to rebuild the political pressure that existed here in this country and elsewhere a year ago to act on Darfur. This is not something that the Security Council will do in isolation. It requires political pressure from this House and Congress and from American public opinion, as well as those in other countries.

Chairman HYDE. Mr. Wilson of South Carolina.

Mr. WILSON. Thank you, Mr. Chairman and thank you, Mr. Brown. I find very encouraging the information you are providing. I take very positively your personal commitment to reform. As I think about the United Nations in the last year, I am very appreciative about what the United Nations has done to make it possible for the first free elections ever to occur in Afghanistan and the courage of the persons who put the election together, because several lost their lives simply for registering voters.

Additionally, I appreciate the efforts in Iraq with, again, putting together the ability for the extraordinary election of January 30 and the United Nations had such a lead in that. And you get such a bad rap on everything, the things that are done well should be recognized.

I am also very appreciative of the UN's role in assisting with the replacement of the textbooks in Iraq. The former textbooks which, indeed, were anti-Israel, anti-American, have all been removed and so the dictator is no longer identified as the reincarnated Nebu-

chadnezzar. So this is, to me, positive, that steps forward in the development of civil societies.

But I am very grateful also to be on the Oversight Subcommittee headed by Congressman Dana Rohrabacher. I have been appalled, really, about the Oil-for-Food Program, how it could even have been established. It was so flawed from the beginning, it was an open invitation for fraud. The oil vouchers themselves, which could be used for influence peddling, for favoritism, for kickbacks. Then the purchase orders which were sweetheart deals, again padded, influence peddling.

In the future, hopefully, something like that will not occur. Is this sort of a model of what not to do?

Mr. BROWN. Well, thank you, Mr. Wilson, thank you very much for the nice words for the operations you mentioned. I am as appalled by Oil-for-Food as you are and what it has revealed about management weaknesses. The political origins of the program are clear, though. Saddam Hussein, remember, had negotiated peace. He had not been defeated. He was still in power and the conditions under which he was willing to accept regulation of his oil sales was that he continued to both sell the oil and buy the incoming goods into the country. That was the condition and he was supported by the permanent Security Council members in doing it.

The UN's task was to make sure that those goods could not be used for military purposes, something that the UN was very successful in doing. The corruption lay largely in the design of the program and the political roots of the program. But I can tell you, and this is English understatement when I say we have learned the lesson. We would do it differently the next time.

Mr. WILSON. And that is what I wanted to hear, because I was not aware of how, from my perspective, how naively it was put together. It just was not real.

But at the same time, with the billions of dollars at stake, do you see any avenues where money might be recovered from persons who were involved in this program that could then be provided to the people of Iraq, which was the intent of the funds?

Mr. BROWN. Let me just say that, you know, I think we have to see the full scope. Senator Coleman is revealing the names of those who benefitted, allegedly benefitted from the program and we will then have a better sense of who got what. And that would be the basis to seek recovery.

You know, in the UN case, we have examined ourselves minutely through the Volcker Panel and so far, you know, the oil allocations to a UN official or contacts with a UN official were in the order of \$2 million. So it is a fraction of the several billion that others appear to have benefitted from. We are taking action within our own house. I hope governments will be as vigorous in chasing down wrongdoing by their nationals and seeking just a solution as we are doing.

Ms. ROS-LEHTINEN [presiding]. Thank you, Mr. Wilson.

Mr. WILSON. Thank you very much.

Ms. ROS-LEHTINEN. Mr. Crowley.

Mr. CROWLEY. Thank you, Madam Chair. Thank you for holding this hearing today and I thank my friend, Mr. Lantos, as well for participating and my colleagues. Mr. Malloch Brown, I represent

portions of Queens County and although many of the people who are employed at the UN have their desks in Manhattan, their bed is in my district. So it is important in a number of ways for me to see the UN survive, I guess you could say, and to flourish in my city.

I am not one of those who would espouse that the UN cease to exist, nor cease to exist in my city. And I walk very cautiously when discussing or evaluating what the UN has done, what the history of the UN is, what it is about and what the future holds for the UN. I am also one who is not afraid of delving in and looking into, from time to time, how things are operating and I think it is probably a good thing that we are doing that now.

Certainly, the Oil-for-Food Program has left many questions in the minds not only of American taxpayers, but people around the world, in terms of the integrity of the UN. I think it is unfortunate that that has taken place, but a full airing needs to be done and an accountability needs to be established, I think, for the process to move forward.

I am just going to shift this slightly and it is somewhat related because of the role of the UN. As my colleague indicated before, coming out of the historical sense of stopping international conflict to maybe now looking more at intranational conflicts that are taking place. One of the roles of the UN, aside from the human rights issues that I know Mr. Smith has been a champion of, is also the disaster relief that the UN has been involved in over the years. More specifically, most recently, the tsunami that hit our world.

I had the opportunity to be in Sri Lanka just a few days after the tsunami and worked with some UN groups there to see how the aid is being distributed. I know the famous statement by Mr. Jan Egeland after the tsunami hit that the West was being particularly stingy in terms of its response. I think the U.S. response, both governmentally and individually from U.S. citizens, and the West has been incredible in terms of the outpour.

I do also note and I understand that what it will take to help these countries recover from this disaster is not a one-shot deal. This is going to be a multi-year approach in terms of helping them. What is the UN doing to insure that the monies that have been collected and that have been routed through the Donor Fund are being spent properly, that it is getting to the people that need the assistance? We all know and I know particularly that in the developing world, the level of corruption, the kickbacks that are involved, the payoffs in order to get, you know, wanted grain off of a ship can be incredible. And the delay that is caused by that in terms of getting it—you know, the American people have, I think, a short tolerance for these types of things. And when that is exposed and people understand that, it is going to, I think, impact severely and in a negative way in terms of what they will do in the future as well.

Can you just respond? What is the UN doing to insure that that is not taking place or doing its best to curtail that type of activity?

Mr. BROWN. Well, thank you and it gives me an opportunity to say as, indeed, Jan Egeland himself has said, the U.S. response to the tsunami was anything but stingy, it was very generous and far reaching by both American citizens and the American Government.

But that does, of course, as you rightly say, put a real premium on performance. Americans reach deep into their pockets, but with a little bit of skepticism about whether their money would reach those it was intended for. So we have to prove it has, and not just the UN, but the many American non-governmental organizations who received huge amounts of money from the American public. We are all on trial to show performance.

Two things I would point to particularly. We engaged PricewaterhouseCooper to run a global tracking system with forensic audit capability to it, where needed, to supplement all of our own audit, internal, and external arrangements that we currently have, to really give the public confidence that their money was going to be used properly.

Secondly, as you probably saw, former President Bill Clinton, having served his co-envoy with former President Bush here is now taking on the task of the UN's envoy for this. As he said, I thought I had been hired to raise money. I see I, in fact, have to work to make sure that the money that has been raised is properly spent. So he is personally very seized with making sure we have the tracking systems in place. Because as you rightly say, this is a region of the world with a reputation for corruption, and where a large amount of investment is now going in in the form of aid, where preventing corruption, preventing inflation in prices, making sure people get what they need is a big management and political challenge, but one that the world will judge us by.

Ms. ROS-LEHTINEN. Thank you, Mr. Malloch Brown. Thank you, Mr. Crowley. Mr. Rohrabacher.

Mr. ROHRABACHER. Thank you very much and we appreciate you being here today, even though it had to be a briefing instead of a hearing. Let me ask you about that subtlety there. Of course, you are not under oath, so you can say what you want.

You are present here in the United States, you are a UN official. Are you an official subject to United States law?

Mr. BROWN. Whenever you ask questions in a very gentle voice, I get worried, Mr. Rohrabacher. Let me first say that, you know, I have an oath of office to the UN Charter and flag which would prevent me, even if we were in the UK and this was a hearing, I would not be able to take an oath there, either. That is the charter drafted by the United States, which I think everybody agrees we have to respect. I hope it in no way impedes my honesty of answers.

In terms of the second part of the question, as a very senior UN official, I have, indeed, full diplomatic immunity. Most of my colleagues have only what is called functional immunity, which covers acts carried out in the course of their official duties. So if they were drunk driving after work, they would face the same full force of the law as anybody.

In my case, the Secretary-General has always made it clear that for those kinds of offenses, you know, criminal offenses or civil breaches which have nothing to do with our official conduct of our duties, he would equally always waive our protection so that we faced whatever sanction was appropriate.

Mr. ROHRABACHER. All right, I can understand that definition there. So you are not subject to U.S. law. What law is it that you



are subject to when you are doing your duties and it may be a crime or most people would consider it a criminal activity? Under whose law then would you be prosecuted?

Mr. BROWN. In general, we work under a set of arrangements defined in an international arrangement of immunities and privileges which, for example, to give you a hypothetical example, governs the American special interest section in Cuba. Without the same immunities that I have here, an American diplomat operating in Cuba or anywhere else would be subject to arrest or harassment, etc.

Mr. ROHRABACHER. But the U.S. diplomat in Cuba is subject to American law.

Mr. BROWN. Well, in the same way as I have said to you, wherever there is an issue of illegality, I would be, as well.

Mr. ROHRABACHER. No, no, I am talking about within the concept of his job, if he was not doing something that was considered legal, he would be prosecuted by American law, then.

Let me ask you about Iqbal Riza. He was your predecessor, who was found to have been shredding documents relating to the Oil-for-Food scandal for 8 months, prior to his leaving his office. Let me ask you about him. He retired, is that right, and those shredded documents, did Mr. Kofi Annan agree with that? Was that something that he went along with, that those documents should be shredded?

Mr. BROWN. No, he was unaware of it at the time. He accepts Iqbal Riza's explanation that they were duplicate so-called cron files of documents of which there were originals in the central filing system.

Mr. ROHRABACHER. You accept that explanation?

Mr. BROWN. It is not for me—I mean, the Secretary-General does. Just to be clear, Mr. Volcker himself, in his report, while criticizing it, did not find a so-called adverse finding against him, because he concluded he had not broken any rules and it ultimately did not damage the investigation.

Mr. ROHRABACHER. And as we know, some of Mr. Volcker's investigators disagreed with some of—thought he was a bit soft on some of the top leaders.

But let us say this Mr. Riza was actually shredding these documents to cover up this crime of billions of dollars that have been pilfered or channeled somewhere else. So now he is retired and he is just retired to wherever he wants. There is no accountability there, is there? There is no law that he is going to be prosecuted for it. Is that right? He is just off the hook?

Mr. BROWN. No, no, no, let me again be clear as is the case with other individuals named by Mr. Volcker. We have been clear that the moment any national authority, either here or in countries where the crimes may have been committed, if there was an issue of money wire transfers, which means there were crimes in other jurisdictions, as well. The moment anybody wishes to pursue criminal charges, immunity will be waived. They are subject—

Mr. ROHRABACHER. But this was inside, he was doing this as part of his job. He is inside the United Nations, which is, of course, located here. Why has the United Nations not moved to do something to charge him with something themselves?

Mr. BROWN. Because Mr. Volcker concluded there was not something to charge him with, that it was a terrible error of judgment, but not a criminal mistake.

Ms. ROS-LEHTINEN. Thank you, Mr. Malloch Brown. Thank you, Mr. Rohrabacher.

Mr. ROHRABACHER. All right.

Ms. ROS-LEHTINEN. Ms. Napolitano.

Ms. NAPOLITANO. Thank you, Madam Chair. And I keep hearing many questions related to the money that the Oil-for-Food Program—are there any other funded programs that need to be looked at that might fall under the same category, that might have a problem in the future that involve money that might be abused?

Mr. BROWN. Well, you know, we have many billions of dollars of programs. We hope there is no other Oil-for-Food Program and to give us assurance on that, we are strengthening the Office of Internal Oversight and Audit to make sure that we have the forensic investigative capacity to catch these problems much quicker than occurred in the case of Oil-for-Food. So we want to make sure that never again do we appear before a Committee such as yours having to explain away an Oil-for-Food Program. It is not a happy situation to be in when you are entrusted with public money and the program went wrong. We do not want that to happen again.

Ms. NAPOLITANO. Were there any indications that were beginning to show, that somebody might have been able to address before this whole amount of money was lost?

Mr. BROWN. Well, in my opening statement, I referred to oversight problems. You know, our internal audit found problems with the program, not of the criminal nature that has subsequently been exposed, but issues of weak supervision of the program, weak controls. And those findings were, with hindsight, not adequately acted on by senior management.

So one of the reforms we are making is to establish a mechanism for making sure every audit finding is followed up on and corrections are made where they are needed.

Ms. NAPOLITANO. Okay, but is the audit being performed on all programs with funding that might then prevent this from happening again?

Mr. BROWN. Yes. There is internal audit on all programs, but the whole of the UN is also covered by external audit arrangements, where a rotating group of three governments provides external audit oversight in addition to our own internal arrangements.

Ms. NAPOLITANO. Well, Mr. Brown, some of the Members of our Committee have expressed seeking reform in the UN budgeting process. More specifically, they would like to force the United Nations to agree to remove programs that they do not see as part of the organization's core mission out of the portion of the UN budget that is assessed as dues. If this could be accomplished, it would rhetorically free up a large portion of the U.S. contributions to be redirected toward policy priorities or at least policy priorities that we see as priorities. How realistic is this idea and would a threat by the U.S. to withhold consensus support for the next budget or to withhold a portion of our dues be likely to leverage this change in the budgeting process?

Mr. BROWN. On the first point, the Secretary-General also has proposed that there be a sunseting of old programs which are no longer high priority. One has to, however, be aware that a lot of the programs all of us in this room do not like are relatively cheap, whereas the programs we want to build up, like peacekeeping, are very expensive.

To just give you a sense of this, the non-peacekeeping budget of the UN is \$2 billion a year. The peacekeeping budget is \$4 billion. So you would have to make a lot of savings in the first to provide more money for the second. Similarly, UNDP which you all like, or I hope like, is \$4 billion a year. So the good things are more expensive than the bad things, which makes the complete trade off of old priorities for new ones not dollar neutral.

The second issue, I would just say, on the withholding is, you know, we feel very strongly that your reform ideas, what we know of them, are very good, very strong and very consistent with what other reforming countries want at the UN and that you need to work with them to achieve them. And that the option of withholding immediately separates you from your allies, because it is seen as America acting alone rather than in partnership with reform-minded allies.

Ms. NAPOLITANO. Why is it that many countries hate the United States when we are a donor country?

Mr. BROWN. Well, I think we all spend a lot of time wondering why there are those attitudes. The United States is the founding spirit and moving force behind the United Nations. It has been critical to its affairs as it has to the broader issues of world peace and security and development, to which the UN is committed. But, you know, often the U.S. manages to project itself in the forum as a little bit with a big stick rather than a hand reached out. And I think more of the latter would help overcome this terribly unfair perception of the United States.

Ms. ROS-LEHTINEN. Thank you, Mr. Malloch Brown. Ms. Napolitano. Judge Poe.

Mr. POE. Thank you, Madam Chairman. As a former judge, I believe in consequences for bad conduct and when improper conduct occurred, I do not believe in saying to the person responsible, "Try to do better." And normally, we look to the head of any organization when the organization is in trouble.

It seems an important first step for the United Nations to regain credibility is for Kofi Annan to step down. Under his watch, the world's largest financial and human rights scandal has occurred. The UN Oil-for-Food scandal makes the Enron scandal in my home town of Houston look like the theft of a toothbrush and it resulted in millions of lives languishing in Iraq. In the ongoing investigation, it seems Kofi Annan and his top staff may have obstructed justice and maybe destroyed piles of files that many suspect show how much he knew about what was going on.

So I believe that there should be consequences and my question is: What is the United Nation's position for consequences in its own body for improper conduct?

Mr. BROWN. I will answer you on that, but let me just say—

Mr. POE. I did not understand. You are not allowed to answer me on that?

Mr. BROWN. No, I said I will answer you, but let me just respond to—I would never say no to a judge. But let me just respond to the Enron comparison. A lot of senior officials in Enron, if one is to believe what one reads in the newspapers, got very rich out of what happened at Enron. So far, one UN official may have made a little under \$200,000 in commissions on oil allocations. But it has not been proven.

So this is not, actually, on the scale of Enron. This is much more about management failures and weaknesses, not about massive personal enrichment. And the real scandal lay outside the UN, it lay in the network of political deals which covered the four fifths of oil revenue made from oil trading that was referred to earlier by Mr. Delahunt.

But to go to your point about accountability, I think in the United Nations like in any public organization, the top man is ultimately accountable. But, you know, that has to be balanced against the fact that many in the world recognize that the mistakes that came, came from political deals and from decisions which were largely out of the Secretary-General's control. And that a much better demand of him is to correct the things that caused this problem.

He has always made clear that if there was any issue of personal responsibility, in terms of his own behavior, if there is any proof that he influenced a contract or anything else, he would be the first to step down. But there has been no such proof of any such behaviors by him, and he feels that in that sense, he is innocent of wrongdoing, but badly needs to reform the organization he leads.

Mr. POE. Thank you, Madam Chairman.

Ms. ROS-LEHTINEN. Thank you so much. Ms. Berkley.

Ms. BERKLEY. May I pass and come back to me?

Ms. ROS-LEHTINEN. Yes.

Ms. BERKLEY. Thank you.

Ms. ROS-LEHTINEN. Thank you so much. Congressman Leach.

Mr. LEACH. Thank you. Welcome, Mr. Malloch Brown. First, let me just say on the positive side, because a reference to the tsunami was raised earlier and I want to say as someone who was in Sri Lanka, the role of the United Nations was very impressive. The professionalism of UNDP, FAO, etc. was extraordinary, particularly the UN much more than the United States, the only place in the tsunami region that had the best access to the so-called rebel controlled parts of the country and has played a very positive role in the relationship to tsunami relief as well as in relationship to peace building. I think we should all recognize that the UN has served well as its founders intended in that particular circumstance.

With regard to the issues of the day, and whenever there is a difficulty, it is the obligation of public officials to make clear that it cannot be ducked. We all know that we have a world in which corruption is more the order of the day than otherwise in many parts of the world. The UN in one sense reflects international community, but in another sense has to be above it. And when it comes to corruption, the sense is that there is no reason whatsoever not to have the highest conceivable standards. And that is what makes less than perfect the Oil-for-Food Program, less than perfect de-

struction of documents that have been very lightly passed over in this discussion to date.

This is an umbrage of seminal significance and I do not think it is something that the UN should deal with in any other terms except that. It is one thing to understand that an international body should have lots of conflicts in it. It should, but it should have no conflicts of interest and that is where I think there is some concern.

Now I want to ask a question that is a little different than has been raised publicly and privately. The Oil-for-Food Program was the most unique UN program I have ever known of, because in its administration, a group of countries was given veto authority over every single contract, including the United States. And so in terms of orderliness, individual countries had accountability as well as the UN institution itself. Do you know of any instances or examples where there are conflicts of interest with individual country supervision of this program, and has the UN looked into this?

Mr. BROWN. Well, let me just say on the first point, Mr. Leach, I have followed you for many years for your Banking Subcommittee and I know you are a gold standard of the need of integrity in the way, the standards you demanded of us when I was at the World Bank and others, and I really take your point seriously. And that is what troubles me as a UN official about Oil-for-Food. I do not think our lapses were as bad, and certainly not as criminal in character as some suggest. But any lapse in an organization like the United Nations is a fall from grace. We do have to be better than the best and we clearly are not. And that causes me huge dismay as a UN official and a determination to get it right and get it corrected.

To turn to the second point about the arrangement in the Security Council where this so-called 661 Committee cleared contracts, you know, Mr. Volcker is trying to look into the operations of that committee and I believe the Senate investigation under Senator Coleman and Senator Levin is doing the same, to try and understand to what extent decisions made there were made purely on political calculations and to what extent other factors may have counted.

And I think all of us are reading the revelations in the newspapers with equal concern and interest to understand was there some influencing of decisionmaking? But this is, again, one of those issues where the UN in the form of the Secretary-General and the management really are powerless to look into this. Mr. Volcker is trying, but it requires an intergovernmental decision and congressional support for that.

Mr. LEACH. Fair enough. Let me just ask one final question, though, that ties into this. Unrelated to whether there is a conflict of interest of a UN employee, one of the extraordinary aspects of the UN system is, and it appears that some of these contracts were used to influence governments on UN policy. And I have never known, in my time of looking at public affairs, of any instance ever in which funds under a UN program were used to influence powerful people in foreign capitals to affect their government's approach to UN policy, much of which was directly related to the security interest of the United States.

And so what you have is a circular circumstance of towering significance in ways that do not exactly relate to whether a UN employee himself had a conflict of interest. And is this under discussion at the highest levels of the UN? Do people think this through with great clarity?

Ms. ROS-LEHTINEN. Mr. Malloch Brown, if you could respond in just 1 minute?

Mr. BROWN. Sure.

Ms. ROS-LEHTINEN. Thank you.

Mr. BROWN. The monies used, these oil allocations, were not under the control of the United Nations. I mean, this was the network where Saddam handed these allocations to political allies around the world. But the description that you make of this network of possible supporters around the world bought with these oil allocations is a dramatic story, if true, about the corruption of foreign policy making around the world. But it is governments and congresses which are going to have to get to the bottom of this. I do not think we will be allowed to.

Ms. ROS-LEHTINEN. Thank you so much. Ms. Berkley.

Ms. BERKLEY. Thank you, Madam Chairman. Thank you very much for your agreeing to come here and address our issues. I want to take a slightly different, I have a slightly different concern. It is my belief that the United Nations is virulently anti-Israel and anti-Semitic, from the resolution equating Zionism with racism. The more recent condemnation of Israel's right to build a security fence—which I think any nation has a right to protect its civilian population from lunatic suicide bombers strapping explosives filled with nails and broken glass and rat poison on their chest to explode and kill innocent Israeli women and children—to the referral of the fence issue to the ICJ, where it had no business going, and the inability of Israel, the continuing inability of Israel to join multi-lateral and regional groups where they could have some genuine power and authority in the UN, instead of just being no more than observers.

Israel's treatment by the UN, in my opinion, is unfair, racially motivated and anti-Semitic in nature. Can you explain to me what your role is and what you can do in your role to improve the situation and improve the environment when it comes to Israel and the virulent anti-Semitism that exists at the UN in general?

Mr. BROWN. Well, let me say as a young man doing very different things, I helped draft Shimon Peres's speech when Israel returned to the United Nations after staying away after the Zionism is Racism Resolution. So I feel this issue extremely strongly at a personal level. And, you know, this Secretary-General, long before I started working with him, had insured the removal of the Zionism is Racism Resolution because he, too, saw this as a terrible scar on the reputation of the organization, and has fought very hard to demonstrate his own respect and support for Israel and its full involvement in the UN. We had mentioned earlier the event in the General Assembly for the 60th anniversary of the Holocaust and his own visit to the Yad Vashem opening in Israel.

And certainly I, working with him, have tried to be very open to American Jewish groups to work together to try and find ways we can overcome this. Ultimately, of course, we are our membership

which, as Representative Lantos says, with all its flaws and things. So these resolutions are not the UN in terms of management. They are a decision by our members. And similarly, the exclusion of Israel from the western European group is a decision of western European Governments and others in that group. It is not a decision of the UN.

But I suppose the best contribution, frankly, that we can make is through the quartet to actively help the United States in its efforts, as a fellow quartet member, to secure a lasting peace in the region, because that is the final way to remove the poison from this relationship, which is not peculiar to the UN but is a product of the terrible conflict between Israel and their Palestinian neighbors.

Ms. BERKLEY. If you were the State of Israel and you had to rely on a quartet that consisted of the United Nations, which its members are virulently anti-Semitic, Russia that is anti-Semitic, and the European Union, who has not been particularly supportive of Israel, would you like your future and destiny in the hands of this group?

Mr. BROWN. I would first probably make sure I relied on the strongest leg in terms of its friend there, the United States, which it does. But I would welcome the others as the necessary means to reach out diplomatically to make sure that all parties to this conflict agree to progress.

This was not meant to be a group just of friends of Israel. It was meant to be a group who could deliver Israel what it wants above all else, which is peace with its neighbors.

Ms. BERKLEY. I am sure you could understand as a Member of Congress and as an American Jew how conflicted I am when it comes to the United Nations. While I fully appreciate the basis upon which the United Nations was created and the good deeds that it occasionally does and the role it plays in keeping peace in some areas and some instances, the continuing treatment of Israel by the member nations leaves me somewhat cold and very hesitant to be particularly supportive of the United Nations until there is some genuine reform in this area. So I thank you very much for your answers.

Ms. ROS-LEHTINEN. Thank you very much. Mr. Burton.

Mr. BURTON. Thank you. Is Kofi Annan's son an official at the UN?

Mr. BROWN. No.

Mr. BURTON. Oh, well, awhile ago you said that nobody at the UN has been found guilty of major skimming off of money, so to speak, but there are accusations that Kofi Annan's son, who is not a member, but is fairly close to somebody in power over there, has made some money.

You know, one of the things that concerns me, and you are very good—you are very good—one of the things that concerns me is that first of all, Mr. Iqbal Riza was destroying documents for a long time. But these were just duplicates. Do you recall thinking the world is going to believe that after all the scandals we have seen here in Washington where they were shredding documents in the past? You know, it does not require an answer, but that was very slick, very smooth, you know, that these were duplicates. I do not think anybody buys that.

Second, has Mr. Volcker put anybody under oath? This is a rhetorical question. I do not think he has, and even if he put somebody under oath and they lied, what is the penalty? There are not any penalties. Oh, I made a mistake, no penalties.

The Congress of the United States and the Chairman of this Committee have asked for documents as have Senate Committees. We have received virtually no cooperation. And when we finally found two people who left the United Nations and gave us six boxes of documents, Mr. Volcker said, "Oh, my gosh, that is wrong. We want those documents back." We have had absolutely no cooperation from the United Nations in getting to the bottom of this and yet we provide almost 25 percent of the funding for the UN. And every time we have a big problem with the UN, it is just kind of swept under the rug and people say, "Well, do not worry about that, just give us more money." Not to mention the exorbitant salaries and other fringe benefits that are given over there, which we have looked at over the years.

I would just like to ask you, what can we do as a Committee and as a Congress to get cooperation so we can see what documents are left that have not yet been shredded? What can we do to see those documents so that we are assured that the money we are giving to the United Nations is being wisely used and that the Oil-for-Food Program and the people who violated the law are going to be brought to justice?

Mr. BROWN. Well, Mr. Burton, first, there is a UN official whom I did say, you know, did receive oil allocations according to Mr. Volcker. What has not yet been proved is whether or not he criminally received monies for doing that and that is still being investigated by Mr. Volcker.

But he or anybody else who has been guilty of criminal wrongdoing will face the full force of U.S. or other national law as appropriate. So there is sanction for lying, for criminality, as there is in any organization. As regards the documents, I think you understand very well the difficulty of protecting the confidentiality and effectiveness of an investigation. Mr. Volcker's debate with Congress about these documents is entirely analogous to that special prosecutors have had over the years with this Congress about which documents you get when, under what conditions, to protect confidential sources and their safety, etc. But Mr. Volcker, in communications with Mr. Hyde and with Senators Coleman and Levin and Congressman Shays has indicated, and I am sure he would want the same thing to be extended to yourself and Congressman Rohrabacher, you know, he is willing to try and find a solution that you can see or hear the testimony of this inspector who left his employ. But under circumstances which do not undermine and prejudice his ongoing investigation.

Mr. BURTON. If I might just interrupt real quickly, because I do not have a great deal of time, I was Chairman of a major investigation of a President of the United States for 4 years. And we met with the Attorney General and the head of the FBI on a number of occasions and we worked out agreements where we could get documents. And we sent out over 1,200 subpoenas to get documents so that we could get to the bottom of that and we were able to get most of the information that we felt was relevant. We did



not get all the indictments that we thought were necessary, but we were able to work that out.

So far, as far as I can see, we have not been able to work out any kind of agreement with Mr. Volcker or his Commission for this Congress, which I think has a right, since we give so much money to the UN, to see these documents and to talk to them about that. I mean, you say that it is being worked out, you say that they are willing to talk to us, but so far, I have seen no evidence that the Volcker Commission is willing to work with the Congress. As a matter of fact, he has asked for the six boxes of documents that we have back. We need some cooperation.

Ms. ROS-LEHTINEN. 1 minute to respond, Mr. Malloch Brown.

Mr. BROWN. First, I am sorry Mr. Hyde is not here, because I think he would confirm that he and Mr. Volcker are in intense discussions. They have spoken many times in recent days over the phone to try and find a solution to this which gives you the access you want while protecting the investigation in its future. And we would much prefer to find a political as against a court solution to this.

Secondly, as soon as I was appointed Chief of Staff, I came down and saw a number of your colleagues and you, unfortunately were not available, but I saw your staff and said, "What are the categories of documents you all most need?" At that point, it was the audits, the 661 Committee notes. We made sure all of those were available. And the U.S. Mission in New York has worked very closely with us to make sure these categories of information were available to you. So I think we are trying very hard to be as cooperative as we can be within the diplomatic constraints we genuinely face.

Ms. ROS-LEHTINEN. Thank you, Mr. Burton. Ms. Watson of California.

Ms. WATSON. Thank you so much, Madam Chair. Welcome, Secretary Brown. I am a supporter of the United Nations. The disparaging words that have been used in the past toward the United Nations makes it more and more difficult for America to gain its integrity in the world. And believe me, as I travel around this globe as recently as 3 weeks ago, the anti-American expressions are very appalling to me. And I am hoping that we can have a spokesperson in the United Nations that has the sensitivity to be able to work with these other nations that are in control, say, of the Security Council.

And I just want you to know, corruption does not only reside at the UN, but it resides right here. And I believe that you are innocent until proven guilty.

Now the problem I see is the application of the rule of law and many of the countries that we are dealing with do not believe in the rule of law, therefore do not practice it, while the laws are changing here daily. So we are trying to spread our democracy around the globe and we cherry-pick the laws that we want to observe and sustain.

And saying all that, I am looking through your statements of goals and I laud those goals because, just coming back from Qatar, 600 people in a meeting from around the globe on democracy and free trade, the recurring theme was terrorism feeds on grievances.

I am going to repeat that. Terrorism feeds on grievances. There are a lot of grievances out there and I look at your goals that are supposed to address the grievances. Eradicating extreme poverty and hunger, achieving universal primary education, promoting general gender equality and empowering women, reducing child mortality. These are laudable and wonderful goals. Can you make a comment in the rest of my time as to how the UN is trying to achieve those goals?

Mr. BROWN. Thank you for a very kind and very to the point question. I would hate to leave here today without the chance to say a word about that bigger panorama, the things that really are going to make a difference in our world.

But let me pick up the first point of security. I think we all realized on September 11, 2001, something had fundamentally changed in all our worlds. We all draw different lessons from it, but part of it was that the rich are as vulnerable to the consequences of instability in the world as the poor. The ability to, from a failed state such as Afghanistan, project this devastating attack into New York itself, I think made us all realize in a new way the importance of dealing with failed states, with poverty of these other sources of grievances. And that added to every American's desire to make the world a better place and to give everybody opportunity.

And as courses laid behind these so-called Millennium Development Goals that you referred to, the idea that the United States in coalition with other donor countries, working with enlightened, well-governed, transparent developing countries can beat global poverty. We know how to do it now. There is a track record of success, of getting girls into school, of really getting important objectives achieved which will transform a country over a relatively short period of time through education and health, economic reform, market-based reform and the promotion of democracy, to name just a handful of the top components of such a strategy.

And we have laid out with governments a sort of plan of how to get there, which the United States is part of but cautious about the cost and obligation to put our resources for it. But I hope a commitment for that plan will come out of this summer's G-8 meeting to be held in the U.K. and then out of this summit in September. Because, again, it is really what matters, not just the reforms in New York, but a world which can genuinely tackle poverty.

Ms. ROS-LEHTINEN. Thank you, Ms. Watson.

Ms. WATSON. Thank you very much, Madam Chair.

Ms. ROS-LEHTINEN. Mr. Payne.

Mr. PAYNE. Thank you very much. I certainly also would like to express my appreciation for the United Nations and the very complicated system that governs it. One of the problems with some of my colleagues that get very excited is that I do not think they understand how the organization works, and then it certainly seems like irrelevant questions about having someone responsible for the behavior of their children. If that was a uniform issue, many of us would be in trouble. We do not necessarily find it easy to dictate what our children do every day, nor do I think it is necessarily the responsibility of an adult to be held accountable for the behavior of another adult, if that other adult used advantages because of a relationship. I do not think that was the first time that that hap-

pened. Perhaps it should not have happened and if there is some proof that illegality was done, then the son should be called to answer for it. But I just am amazed at this connection that we make between the son and his behavior.

Let me just ask a general question quickly. There were a number of forms that were requested in 1997, major restructuring to improve management and costs, reducing administrative costs and staffing, creating a code of conduct for personnel, consolidating administration, finance personnel procedures, other services streamlining technical support, to establish a Deputy Secretary-General to sort of be a cabinet-like leadership and management structure, senior management group, and strategic planning units and on and on.

And in your opinion, when many of these suggestions have been made from 1997 to today, what kind of marks would you give in the implementation of some of these suggestions that have been made to the United Nations, primarily by the United States?

Mr. BROWN. Well, GAO took a look at it and about a third, up to 40 percent of the reforms have been fully implemented and about two-thirds have been partially implemented. So it is not a perfect track record but it is a relatively good one and key things, many of the things you mentioned, the creation of the post of Deputy Secretary-General to take on much of the day to day responsibilities of the organization and the management sense and to take on all of the coordination roles, a lot of the other things you touch on have been done. So I think, you know, there is a very solid track record of reform since 1997, but ultimately, the organization has still got a long way to go, because it started life running conferences and writing reports and being a group of diplomats doing diplomatic things.

It is now running some very big, complex global operations and needs the management systems and people to run these new kinds of challenges more effectively, frankly, than it has done in some cases.

Mr. PAYNE. Okay, thank you. There has been a report on the High-Level Panel on Threats, Challenges and Change. There were six issues that the United Nations decided it would focus on, war between states, internal conflict, civil war, poverty, infectious disease and environment, nuclear, chemical, biological, terrorism and transformation of organized crime. How do you think that the UN is geared to deal with these six specifics? I think it was intended to sort of restrict and reduce the overall global issues that came up and focused on these six. Do you think that the organization is in a position to come up with some achievements and will it focus on these six basic issues?

Ms. ROS-LEHTINEN. 1 minute to respond.

Mr. BROWN. Okay, we are very close to them. I mean, there are some detailed discussions going on in New York now which the United States has a very active part in, of which specific issues of those to include in the sort of heads of government meeting in September, as things to be endorsed and agreed to. A definition of terrorism is right up there. The improvement of non-proliferation regimes for both nuclear weapons, but also new categories of weapons.

The issue of the responsibility to protect, which is this right of intervention in places such as Darfur. In these and some other issues, there is real steady progress as the diplomats on both sides are whittling away at their differences to agree how to go forward.

On some others, it will take a bit longer to fix, because trying to get 191 governments to agree to all issues in one go is quite a digestment.

Ms. ROS-LEHTINEN. Thank you so much and thank you, Mr. Payne. I will ask the last question. We have to go into recess because we have a series of votes. Thank you so much. I wanted to ask about the UN building and Lebanon.

At a time of limited resources, and we have been talking about that a great deal, does the UN feel that contributions would be best used for the refurbishing of the UN Headquarters Building in New York City, rather than specific programs? Would you not agree that first reforms must be made to the UN system, trust has to be restored before thinking about construction improvements to buildings?

And on the second question on Lebanon, has the UN been able to verify true Syrian withdrawal from Lebanon, not just security forces, but intelligence personnel as well? And what is being done by the UN to insure full compliance with other aspects of the UN Security Council Resolution 1559, which was not just the withdrawal of forces? And what will the UN role be in Lebanon after the upcoming May 29 elections?

Mr. BROWN. First on the building and you may want to ask Catherine Bertini, who was in charge of this for quite awhile, her views, too, when she sits here. But, you know, it is not an either/or. The building is just unsafe. It is one of those buildings built with so much asbestos in it that, you know, its systems are failing us. And it is, by all accounts, the worst building in New York in terms of basic standards. So it has to get fixed. We are looking at the cheapest way of doing that which is least disruptive to the work, and the U.S. Congress has generously approved an interest-based loan for us to do it, so the cost will be shared by all member states.

Ms. ROS-LEHTINEN. Thank you and if you could just move to Lebanon?

Mr. BROWN. Sure, on Lebanon, let me just say that a mission was there last week assessing compliance of full Syrian withdrawal. It is reporting, I think as we speak, to the Security Council and, you know, there is no doubt that, as far as we can tell, that there has been full military withdrawal. There are the issues of the intelligence assets, which are, like any good intelligence assets, less visible to the naked eye. I think there will probably need to be a continued process of monitoring and ensuring complete withdrawal.

On the other aspects of the resolution, let me particularly note the Hariri investigation into his assassination. We are now mounting, at the agreement of the council, a full investigation after our first report which indeed said this had not been properly looked into. And so we will be announcing the appointment of the leader of that trip. It will be a huge undertaking.

Ms. ROS-LEHTINEN. Thank you.

Mr. BROWN. So I think we are very much involved in Lebanon.

Ms. ROS-LEHTINEN. Thank you. I would like to recognize Congressman Smith.

Mr. SMITH. Thank you very much. I appreciate that, Madam Chair. Mr. Malloch Brown, let me ask you a question, because I remember very well back in 1993 when former U.S. Attorney General Richard Thornburgh sat where you sat and made an impassioned plea to the Congress and to the world, really, and to the UN body to establish a very transparent Inspector General Office.

And I note that you made, I think, a very strong point that withholding funding to try to engender reform in your view was not productive and perhaps even counterproductive. And yet, at the time, 10 percent was held in fiscal year 1995 and 20 percent in 1995 and then when the certification came from the Secretary of State, the money was provided when the OIOS was established.

Could you just very briefly tell us your view as to whether or not that office now has the tools, the capability to truly be independent, to compel testimony, to go wherever the leads may be the way an IG has to? The GAO, in talking about Oil-for-Food, found that constraints on the internal auditor's scope and authority prevented auditors from examining and reporting on problems in the Oil-for-Food Program. As you know, they made 667 recommendations in 58 reports. Has the problem of that group of people been fixed or is it in the process of being fixed? Because to me, good governance has to have that check and balance and has to have an independent Inspector General Office.

Mr. BROWN. The answer is yes and no. It is the one bit of the budget which has grown over the last 10 years, has been this office as it has built up its capacities. The Inspector General has just recommended and the General Assembly has agreed to a new head of it, a remarkable Swedish woman who was Auditor General of Sweden and is currently Auditor General of Kosovo. She is a formidably, independent-minded woman who fought with the Government of Sweden for years about their accounting practices. So she is going to be a force for independence. But we are requesting a big buildup of its investigative capacities, so that whether it is sexual exploitation or abuses of the Oil-for-Food Program, we will be able to much more forensically investigate than has been the case in the past.

We are also asking for an assessment of the capacities of the office, to benchmark it against similar audit oversight capabilities in other organizations, to see whether it is right sized or not or whether it needs to be enhanced. The U.S. Government is very interested in this, very much following what we are doing and with strong views of its own on this.

Ms. ROS-LEHTINEN. Thank you so much. We have 5 minutes left to go. Mr. Faleomavaega is recognized for 1 minute.

Mr. FALEOMAVAEGA. I just wanted, in closing, Madam Chairman, to thank again Mr. Malloch Brown for being here. I think your presence here has also helped tremendously Members of the Committee, because there is a lot of misinformation going on concerning the United Nations. I would strongly suggest to the Secretary-General that you should come here a little more often and it really explained a lot of the questions that Members have that had not been given. Thank you so much for being here.

Ms. ROS-LEHTINEN. Thank you. Thank you, Mr. Malloch Brown. We thank you for addressing this Committee this morning. As we go forward with our UN reform legislation, we will certainly share it with you, look forward to future discussions and get your input on the legislation. Thank you for joining us.

I would like to now introduce our second panel.

Testifying on the first panel of the hearing, because we are resuming today's hearing—first it was a briefing and now we are in a hearing, totally different—will be Mark P. Lagon, Deputy Assistant Secretary of State for International Organization Affairs. Dr. Lagon has served in this position since January 2004 and is responsible for multilateral policy development, UN-related human rights humanitarian policy, UN administration and reform, and the Bureau's public diplomacy and outreach programs. From 2002 to 2004, he served as a member of the Secretary of State's policy planning staff. Prior to his service with the Department of State, he served as a senior member of Senator Jesse Helms' staff on the Senate Foreign Relations Committee from 1999 to 2002. So we will hear from our friend when we come back and the Committee is temporarily in recess.

[Whereupon, a short recess was taken.]

Ms. ROS-LEHTINEN. As we have said, we are privileged to have Dr. Mark Lagon, Deputy Assistant Secretary of State for International Organization Affairs, testify and we welcome your full statement, which will be made a part of the record. And we welcome you, my good friend, once again to our Committee. Thank you, Mark, for being with us.

**STATEMENT OF MARK P. LAGON, PH.D., DEPUTY ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL ORGANIZATION AFFAIRS, U.S. DEPARTMENT OF STATE**

Mr. LAGON. It is a pleasure to be here. Thank you, Chairman Ros-Lehtinen. We are glad to have the opportunity to share with you our efforts to promote management and oversight reforms at the United Nations. We see the United Nations as an instrument for making the world safer and for enlarging freedom, with the potential to do even more if it is reformed.

Secretary Rice said recently, "It is no secret to anyone that the United Nations cannot survive as a vital force in international politics if it does not reform." The Secretary-General himself admits that the time is ripe for change. His focus on the larger issues of institutional arrangements have brought a new intensity of discussion and opened a window of opportunity for real reform. And Congress' heightened interest has opened the window for opportunity even wider.

It is absolutely essential to the success of this current effort to make the United Nations more effective, that management and oversight reforms are not lost in the rush to improve the structure of UN bodies and their programs' work.

We have learned from the Oil-for-Food Program investigations that the UN Secretariat needs to be more focused on the importance of better management, transparency and oversight. And we have been working on it in small and tangible ways. The United States was able to get a resolution adopted that mandates that the

Office for Internal Oversight Services, or OIOS, release any of its audit reports to member states upon request. That is a significant step. Now the Volcker Committee and the public have access to reports on Oil-for-Food that they never had access to before, but more needs to be done. We need to go further to create greater independence for OIOS, since it is still very beholden to the bureaucracy that it inspects and audits for funding.

There are encouraging signs that Secretary-General Annan is taking the issue more seriously, seen embodied in Mark Malloch Brown here, in his briefing. Kofi Annan has set up two committees that he will chair, a policy committee and a management committee, which will help build the culture of performance and accountability to improve policy planning. We hope these committees will tangibly serve to insure that reforms that have been identified are actually implemented and we also hope that the creation of a management performance board will successfully track how well senior managers are performing. It is a long overdue idea. We welcome efforts to create an Office of Ethics and Professional Conduct and propose a stronger regime of disclosure for UN employees.

The general report on UN reform that the Secretary-General put out, "In Larger Freedom," had an element on management reform. These more recent proposals supplement those proposals in that report, "In Larger Freedom." The Secretary-General basically makes four recommendations, some of which have real merit. He asks the General Assembly to review all the UN-mandated activities over 5 years old, to see whether they are still genuinely needed or whether their resources should be allocated. That is a meaningful reform for which we have been looking for years. The Secretary-General also wants to do a comprehensive review of budget and human resources rules in the UN and that is welcome.

Other ideas he raises in the "In Larger Freedom" report will be more difficult for us to accept, notably buyouts, costly buyouts of employees, which may sound like a way of winnowing staff. But often more qualified and capable workers who get good jobs outside of the UN system would be the ones that would benefit from costly buyouts. Moreover, the call for another independent review of OIOS, which has been reviewed in the past, might actually be more of a delay from getting on with the business of strengthening OIOS, where we and other nations already have proposals.

Madam Chairman, there are several very specific management and administrative reforms we in the U.S. Government are pushing for with allies in the UN system. They lie in three main areas: (1) creating a culture of accountability and integrity; (2) improving effectiveness; and (3) boosting basic relevance of UN programs. They are summarized, as I am going to lay out now, on the chart over to my left and your right.

In the area of creating a culture of transparency, accountability, and integrity, the first thing we are focused on is OIOS. Last fall in the General Assembly we proposed giving OIOS an independent budget. We have not achieved that yet, but it is being studied in the UN and we are going to push further with that idea, given the fact that the IIC, the Volcker Commission, has called for that very same idea.

Additionally, we think internal oversight needs to be boosted particularly in peacekeeping missions. It is imperative to enhance that internal oversight in peacekeeping missions, given the sexual abuses of children by peacekeepers in the Congo and other countries that have come to light recently. Efforts by OIOS and the Department of Peacekeeping Operations to create an investigative unit to look into sexual exploitation and abuse allegations are worthy, but it will take a proactive effort by the member states to support the creation of such units and we are already going about working on getting that support.

Thirdly, in small UN agencies, they often do not have the capacity to create internal oversight and there is a ready standing capacity in the OIOS. When you look at the case of the World Meteorological Organization, where an employee stole \$3 million, one could see that a small agency like the WMO could turn to OIOS and essentially outsource its regular internal oversight in a cheap and effective way. There has been a proposal out there by Switzerland and Germany to try that with WMO. We think we should try and pursue that, but it would require the General Assembly to okay the internal oversight role for OIOS in independent agencies, because OIOS has only been authorized to date for the Secretariat and the UN funds and programs.

In the culture of transparency and accountability, we think that the duty that exists for the Secretary-General to waive immunity on those who are found to be wrong-doers needs to be exercised. In that Convention on Privileges and Immunities that Mr. Malloch Brown spoke of, there is actually cited not only the right but the duty to waive immunity in cases that would impede a court of justice. We want to try and achieve a reform within the UN system that would make that waiver a more regular, standard choice by the Secretary-General.

Then finally in this area, conflict of interest. Conflict of interest regulations need to be improved, because the emphasis in the Secretariat to date has been on avoiding inappropriate public pronouncements. That needs to be stronger. There needs to be a focus on even the appearance of conflict of interest.

Additionally, in the independent agencies of the UN, they tend to have even weaker provisions for conflict of interest being prevented than the Secretariat itself. Notably, one can see the case of the World Intellectual Property Organization in which an Assistant Director General is being investigated for his wholly-owned company accepting money from the general contractor building a new WIPO building.

In the second area, we want to improve the basic effectiveness of the United Nations. We need to conduct a comprehensive study of the Department of Public Information and, in particular, drive forward the idea of consolidating UN Information Centers. In western Europe, nine UN Information Centers were consolidated into one, in Brussels. There is no reason why this effort could not be pursued in other regions, including the United States.

Translation services, which cost nearly \$2 million a year need to be outsourced and automated. One way to do that would be to use time zones and the world wide culture to farm out translation to other time zones and get it done for a lot less. We should also re-



duce the cost and frequency of conferences. There just has to be a basic rationalization. The member states need to grapple with the priorities of conferences, and we need to stop the process of member states and UN experts getting a 40 percent per diem bonus above those who normally travel to UN meetings.

A final two points in the general area of boosting the relevance of the United Nations to achieve its original intended purposes. We need to expand the authority that has been given to the Secretary-General to move people from functions that are no longer useful, or never were, to more important functions. We achieved, in December 2003, an authorization for 50 posts to be moved by the Secretary-General. But the U.S. Government is very disappointed that he has not used that yet. He should use that and we should expand that authority.

Finally, we need the review of the usefulness of program mandates. There should be sunsets. Programs should regularly, like peacekeeping missions, have a time that they end, and are reviewed and would have to be proactively reauthorized. And in those programs that already exist, they should be reviewed. We think that they should be reviewed after a regular amount of time. We have gotten the agreement from other nations we work with, the other 13 major donors to the UN who, in total, pay 80 percent of the bills, that we should review all programs that are over 10 years old.

So to conclude, we are working with our allies, particularly large donors, to try and achieve a culture of accountability and integrity, to improve effectiveness and to boost the relevance of the United Nation's role.

[The prepared statement of Mr. Lagon follows:]

PREPARED STATEMENT OF MARK P. LAGON, PH.D., DEPUTY ASSISTANT SECRETARY,  
BUREAU OF INTERNATIONAL ORGANIZATION AFFAIRS, U.S. DEPARTMENT OF STATE

Chairman Hyde, Congressman Lantos, and Members of this Committee, thank you for this opportunity to share with you our efforts to promote management and oversight reforms at the United Nations.

The United States has long advocated for reforms that make the UN more efficient and effective. We see the UN as an instrument for making the world safer and enlarging freedom with the potential to do even more if reformed to meet the challenges of the 21st century.

We need global cooperation if we are to advance peace and security, and specifically to defeat terrorism; halt the proliferation of weapons of mass destruction; end trafficking in persons; advance human rights and democracy; and reverse the human and economic toll from conflicts, disease, poverty, and natural disasters like the tsunami.

Yet, as Secretary Rice said recently, "It is no secret to anyone that the United Nations cannot survive as a vital force in international politics if it does not reform." The State Department recognizes that the UN has made some progress in management reform, but we see much more work ahead. More transparency and accountability for results and management practices are needed.

The Secretary-General himself admits that the time is ripe for change. To his credit, his focus on the larger issues of institutional arrangements has brought a rather new intensity to the discussion and opened a window of opportunity for real reform. I also believe Congress's heightened interest has opened the window of opportunity even wider.

Mr. Chairman, there is justifiable and healthy skepticism over how much the United Nations can reform itself. It is absolutely essential to the success of this current effort to make the UN more effective that management and oversight reforms are not lost in the rush to improve the structure of UN bodies and their programs of work.

## WHAT IS WRONG IN THE UN SYSTEM?

As the largest assessed and voluntary contributor to the United Nations and its technical and specialized agencies, the United States bears a special responsibility to ensure the UN is living up to its original purposes and principles. You cannot ensure the UN is doing what we want it to do without accountability and results-based budgeting and management. You cannot prevent fraud, waste, and misconduct without institutional measures that ensure the highest standards of professionalism, and good results through transparency, oversight and better management.

Indeed, one of the lessons we have learned from the Oil-For-Food investigations so far is that the United Nations Secretariat needs to be more focused on the importance of better management, transparency and oversight. Credible oversight is critical, but codes of conduct must also be enforced; and managers held accountable for their own actions as well as the actions of their people.

The UN needs to work harder to implement results-based budgeting and management in every program. That means programs, once created, should not continue without regard for results. More need to be ended when their effectiveness wanes.

The UN system also needs rationalized budgets that do not grow year after year on auto pilot, that have greater oversight, that reward workers for good performance and value added, and that hold them to account.

We are beginning to see the UN address these problems. This past January, for example, we were able to get a resolution adopted that mandates the Office of Internal Oversight Services release any of its audit reports to member states upon request. Program managers will now be held accountable for their programs. That's a significant step, but more is needed. OIOS is still too beholden to the very bureaucracy it is inspecting and auditing—especially for its funding.

All of the lessons I have pointed out explain why we continue to insist that a new culture of management accountability be instituted in all of the UN's work.

## WHAT THE SECRETARY-GENERAL IS PROPOSING

There are encouraging signs that Secretary-General Kofi Annan is taking this issue more seriously. For example, he recently set up two committees that he will chair, a policy committee and a management committee, to help him build a culture of performance and accountability and improve policy planning. We hope these committees, particularly the one on management that is to review decisions on budget, oversight, and major reform efforts, tangibly serve as catalysts for change and mechanisms to ensure that reforms already identified are implemented quickly and completely, and that new reform ideas and concepts are considered on a continual basis for action.

The Secretary-General has also announced the creation of a Management Performance Board to track how well senior managers are performing, particularly in properly undertaking the responsibilities assigned to them. This is a long-overdue mechanism to improve accountability to both the Secretary-General and to member states.

In addition, we welcome his plans to create an Office of Ethics and Professional Conduct, and to propose stronger financial disclosure requirements for senior officials and mid-level professionals. He is also working on instituting mechanisms for mandatory ethics training for all personnel as well as mandatory training on professional conduct.

These recent steps by the Secretary-General supplement the management reform proposals in his recent 53-page, 222-paragraph report titled *In Larger Freedom*. There is a good deal in that report we can agree with in terms of structural reforms—like getting the UN Democracy Fund up and running, creating a Peacebuilding Commission, and transforming the tragic hypocrisy known as the Commission on Human Rights. While the Secretary-General has made a good first step to improve management, we and other Member States think that more needs to be done.

UN Member States, and particularly its largest contributors, want to know if they are getting the most value for the dollars they contribute. People who look to the UN for help want to know that, too. Providing the leadership to ensure that the UN is operating efficiently and effectively is the Secretary-General's most important role as the UN's chief administrator. It requires constant assessments and, where warranted, working with member states to update and improve the way the UN Secretariat departments are managing their operations and programs.

The Secretary-General basically makes four recommendations in his report, some of which have real merit. For example, he asks the UN General Assembly to review all UN mandated activities over five years old to see whether they are still genuinely needed or whether the resources assigned to them could be reallocated to re-

spond to new and emerging challenges. Such meaningful program review is something we've sought for years.

The Secretary-General also wants to conduct a comprehensive review of the budget and human resources rules under which the UN operates. This would be welcome as well.

But other proposals are more difficult for us to accept. For example, while we agree that the Secretariat needs people with the skills and experience to address new and emerging challenges, we do not think costly buyouts are the way to achieve that outcome. Oftentimes, people who are attracted to buyouts are the more qualified and capable workers who can get good jobs outside the UN system. The UN needs a more effective and fair evaluation system for all personnel so that those receiving unsatisfactory ratings will be weeded out sooner rather than later. A buyout could be costly and less effective.

In addition, while we applaud the Secretary-General for emphasizing a need to improve accountability and oversight, we do not believe that yet another General Assembly commission is needed to first review OIOS. Another review would needlessly delay our efforts to address its existing needs. We need to move now to strengthen OIOS, and we already have concrete proposals for making the budget of the OIOS independent of the Secretariat.

It is also worth noting that in 1997 and again in 2002, the Secretary-General launched the Track I and II management reform initiatives that have yet to be implemented fully. In 2003, in fact, the U.S. Government Accountability Office (GAO) reported that the UN Secretariat had made progress in implementing only 51 percent of those initiatives. According to the GAO then, with regard to performance-based budgeting, the UN had only completed the initial phase of adopting a results-based budget format: it had not begun to develop a system to monitor and evaluate results. Since 2002 result-based budgeting has moved ahead; the UN's 2006–2007 draft budget reflects the effort to develop indicators, which can be used to match resources with performance.

Mr. Chairman, a key challenge in reform is not just getting reforms adopted, but also in persisting in seeing the implementation of those reforms through to completion. Initial steps taken toward instituting performance-based budgeting are of little use if the UN does not follow through to evaluate results and ultimately base continued funding of those programs on their effectiveness in meeting their objectives. We will take a careful look at the 2006–2007 budget with that perspective in mind.

Moreover, management and oversight reforms should never appear to be an afterthought. They should be an integral part of any effort to make the UN more effective. For this reason, we are making clear to the Secretariat and other member states that management and oversight reforms must not drop out of whatever reform initiatives emerge by September.

#### OUR MANAGEMENT AND ADMINISTRATIVE REFORM PRIORITIES

Mr. Chairman, there are several very specific management and administrative reforms we are pressing for that I'd like to mention here. They fall into three main categories: creating a culture of accountability and integrity, improving effectiveness, and boosting relevance. A fair number of these proposals can be instituted relatively quickly, while others must wait for action by the UN General Assembly in the fall.

##### *Creating a Culture of Transparency, Accountability, and Integrity*

Mr. Chairman, we believe that strengthening the independence of the Office of Internal Oversight Services (OIOS) is critical to creating a culture of transparency, accountability and integrity in the UN Secretariat. To meet professional standards for effective and independent oversight, OIOS must be more independent of the offices and activities it audits and investigates. Currently, OIOS is dependent upon reimbursement from the UN funds and programs it is investigating for the costs of such investigations. And it must go to the Secretariat with proposals for more funding or personnel.

##### *1. Strengthen the Independence of the OIOS*

Last fall in the General Assembly, we proposed giving OIOS an independent budget, so that member states could weigh in on its full budget requests. While that did not happen, the General Assembly did end up directing the Secretary-General to report to them this fall on how to achieve full operational independence for OIOS, in accordance with its original mandate.

Since then, the Independent Inquiry Committee into the Oil-for-Food program has helped bolster our effort by also recommending budgetary independence for OIOS. We plan to put forth our proposal again and have gained the support of other major

contributors to the UN. We also will take a look at whether OIOS has the necessary resources and mandate to carry out oversight for the UN, as well as for all the UN funds and programs.

### *2. Enhance Internal Oversight of Peacekeeping Missions*

It is also imperative that we enhance internal oversight of UN peacekeeping missions, particularly in light of the sexual abuses of minors by peacekeepers in the Democratic Republic of the Congo and several other countries.

At this time, the UN Department of Peacekeeping Operations (DPKO) has provided for internal oversight in each mission to help prevent and, if necessary, investigate misconduct. But its own internal oversight resources are not sufficient to handle the number of accusations coming to light. Increased capacity for OIOS investigations and personal conduct units in all peacekeeping missions are important first steps in creating a culture of zero tolerance for misconduct.

The Secretary-General has sought to fund on a permanent basis personal conduct units in large missions, and to increase the number of OIOS staff in its investigations divisions. DPKO has proposed that estimates for internal oversight in future missions be based on such neutral measures as the complexity, size, and needs of the mission. We support those proposals.

Both OIOS and DPKO are advocating that OIOS create a dedicated investigative unit to look into sexual exploitation and abuse allegations. We fully support immediate investigation of any allegations, and agree that OIOS would be the appropriate body to conduct these investigations.

The creation of an investigative OIOS unit, however, will require the approval of the UN General Assembly, beginning with the approval of the Advisory Committee on Administrative and Budgetary Questions (or the ACABQ) and the Fifth Committee. We have already begun seeking support for this initiative from other member states, including discussing the cost of this program. This important step would help to deter sexual abuse in the future and ensure that UN peacekeepers uphold the highest standards of behavior towards those they are supposed to protect, as well as help rebuild confidence and trust in UN peacekeeping.

Another positive and recent development is the ACABQ recommendation that the Secretariat develop a comprehensive policy for investigating matters relating to sexual exploitation and sexual abuse for all UN activities, not just peacekeeping. It also recommended that the Secretariat analyze and request the resources it needs to ensure accountability and enforcement of the policy.

### *3. Outsource Internal Oversight at Small UN Agencies to OIOS*

A third reform that would help create a culture of accountability would be for the smaller UN specialized agencies to outsource their internal oversight activities to OIOS. Such a step makes fiscal sense. As the 2003 theft of \$3 million by an employee of the World Meteorological Organization (WMO) shows, there is an urgent need to bolster internal oversight at UN specialized agencies.

The internal audit capacity of WMO has been struggling in its efforts to handle this complex investigation, and final resolution of the case is taking far longer than expected. WMO member states are now considering a proposal by Switzerland and Germany to appoint OIOS as its internal auditor to a two-year pilot program. We strongly support this proposal, as do other major UN contributors, and support the incorporation of investigative services as well.

OIOS has an investigations field office already set up in Vienna, which could assist specialized agencies like WMO in uncovering fraud and corruption. Establishing independent oversight, rather than creating an internal audit section in each smaller specialized UN agency, is an attractive option. Oversight and investigative services could be acquired on a service agreement basis, which could produce greater cost efficiencies throughout the UN system. However, the General Assembly would need to grant OIOS this authority.

### *4. Reinforce the Secretary-General's Duty to Waive Immunity*

A fourth reform responds to recent allegations of misconduct by UN officials. We welcome the recent commitments of the Secretary-General to ensure the accountability of UN officials who are accused of committing crimes related to the Oil-for-Food Program or crimes of sexual abuse and exploitation.

The Convention on the Privileges and Immunities of the United Nations gives the Secretary-General the right and the duty to waive immunity in cases where, in his opinion, the immunity would impede the course of justice and can be waived without prejudice to the interests of the United Nations. Any UN official who is suspected of criminal activity should be fully investigated and tried; those found guilty should be punished for their crimes.

### 5. Avoid Even the Appearance of Conflict of Interest

Finally, we want UN Staff Regulations and Rules to better impress upon UN personnel that they should avoid even the appearance of a conflict of interest. The UN's integrity is important to all its employees and they should even avoid situations where a perception of a conflict of interest could exist.

UN Staff Regulations already state that staff "shall avoid any action and, *in particular, any kind of public pronouncement* that may adversely reflect on their status, or on the integrity, independence and impartiality that are required by that status" (emphasis added). The emphasis is on avoiding inappropriate public pronouncements. Current Staff Regulations also require certain staff to file financial disclosure statements and prohibit conflict-of-interest behaviors, but they do not specifically require them to avoid creating the appearance that they are involved in a conflict-of-interest situation.

Generally, Staff Regulations and Rules of other UN system organizations with respect to financial disclosure and actual conflict of interest are not as strong as those of the UN. We need to strengthen them to avoid problems such as the recent case at the World Intellectual Property Organization (WIPO), where the Assistant Director General is being investigated for having his wholly owned company accept money from the general contractor of the new WIPO building.

To remedy this potentially damaging loophole, we plan to initiate efforts within organizations throughout the UN system to encourage them to strengthen staff rules and regulations related to conflict-of-interest behaviors. We welcome the UN Secretariat's efforts to address these situations, as Mr. Malloch Brown has mentioned here.

Mr. Chairman, these may seem like small steps, but they are nonetheless important if we hope to improve accountability and growing public perceptions that UN personnel seem to be above the law. And they can be achieved if there is a will among member states to do it.

### *Improving Effectiveness*

Moving on to the second major area of reforms we are pushing, improving effectiveness of UN operations, we again have some examples of changes that can maximize the UN's effectiveness while incorporating greater efficiencies.

#### *1. Increasing the Efficiency of the UN Public Information Function*

The first reform in this area is one we have also pushed for quite some time: further consolidating UN Information Centers around the world. These centers strive to communicate the UN's message and data around the world. They represent approximately one third of the budget for the UN Department of Public Information, yet there is little proof that they are successfully explaining UN programs/concepts to local populations.

A vastly altered world media landscape, changes in the information culture and revolutionary advances in information and communication technologies should compel the UN Secretariat to look for more up-to-date solutions. Some may ask how the Internet can reach disadvantaged populations in developing nations, but the current set-up of UN offices in capital cities does no better.

A model for this reform is the successful consolidation of the UN Information Centers in Western European countries. Nine of them were successfully consolidated into a regional hub in Brussels. There is no sound rationalization for not duplicating this effort in other regions where it is feasible, including in the United States. In most cases, that would mean creating a UN regional information hub in the most strategic location. Resources could then be redirected to these hubs to strengthen their ability to inform the publics in their regions about UN activities.

Such consolidation is consistent with reform proposals the Secretary-General himself put forth in September 2002. We also think OIOS should be encouraged to conduct a comprehensive study of these centers and the efficiency of their parent Department of Public Information as a whole, providing much needed oversight of their activities.

#### *2. Expanding Outsourcing and Automation of Translation Services*

A second reform that would improve effectiveness is expanding the use of outsourcing and automation of translation services, which in the current budget cost nearly \$200 million.

These expenses could be greatly reduced by outsourcing translation services. Moving translation work out of New York could significantly reduce overhead costs for staff and rent while creating jobs in developing countries. Given current technology and time zone differences, we could achieve a virtual 24/7 operation, whereby work

sent from New York to a remote site during their core business hours could be completed overnight and then returned to New York for review.

Competitive bids could be used to determine the most cost effective and efficient commercial providers of these services.

### *3. Reduce the Cost, Frequency and Duration of Conferences and Meetings*

A third reform to improve effectiveness would be to reduce the frequency and duration of UN conferences and meetings. At \$565 million a biennium, Mr. Chairman, the UN's budget for conference services is the single largest section in the UN budget.

With such a high cost, we think member states ought to be able to pre-approve the Secretariat's plans for each conference and meeting's agenda and desired outcomes. Right now, it is very difficult to assess or change the frequency and duration of UN meetings organized around a certain theme. In addition, we think all official UN meetings should be aware of the possibility of running over the allotted times, since verbatim records of meetings cost approximately \$8,000 per hour.

Additional potential costs savings measures we are looking at include: (1) requiring that all inter-sessional meetings of main or subordinate UN bodies be funded through voluntary contributions or not held at all; (2) running all official UN meetings concurrent with the contractual schedule of the interpreters; (3) establishing a rational approach to choosing the number and frequency of meetings with emphasis on priority issues; and (4) stopping the practice of giving delegates of member states and certain UN experts an additional 40 percent above the per diem amount senior UN officials receive when they travel to UN meetings.

### *Boosting Relevance*

Mr. Chairman, the last section of reform proposals I would like to mention today are aimed at boosting the relevance of the UN's work.

#### *1. Use and Expand Authority to Redeploy Posts*

In December 2003, we were able to get the General Assembly to approve a pilot program that gave him authority to redeploy up to 50 posts from lower to higher priority areas. He is also required to report on the results of this project to the Advisory Committee on Administrative and Budgetary Questions (ACABQ) during the 60th General Assembly this fall.

This pilot program was an important first step towards giving the Secretary-General greater flexibility so as to strategically align and realign budgetary resources with human resources.

We would have liked to be at the point where we could pursue expanding this program, but instead I have to report how very disappointed we are that the Secretary-General has not yet utilized this new and important authority.

Because we had placed a high priority on getting him this authority, we feel compelled now to oppose any staffing increases in the Secretariat until such time as the Secretary-General reprograms all of these 50 positions. For that matter, the overall presumption must be that any new posts should come from eliminating ineffective or obsolete positions. We will encourage the Secretary-General to use this authority so that we can again consider expanding it.

#### *2. Review to Determine Usefulness of Program Mandates*

Finally, to boost the relevance of the UN's work, we are seeking a regular review for relevance of all program mandates with a designated timeframe for review of all new mandates.

There is a perception that once authorized and created, UN regular budget programs and activities continue indefinitely. Sadly, the reality is very close to this perception. That's why we and other major contributors continue to support the adoption of time-limiting provisions whereby each new program and activity would include a termination date. This idea was included, of course, in the Helms-Biden arrears and reform legislation.

Under this approach, each UN program and activity would end unless the General Assembly specifically adopted a resolution to extend it. This is the approach the Security Council takes in authorizing peacekeeping operations; each mandate includes fixed terms, must be renewed in order to continue, and has a defined exit strategy.

To deal with UN activities already authorized, other major contributors and we support reviewing all existing mandates 10 years and older for continued relevance.

Though this reform will not be easy to achieve, now that the Secretary-General has included this concept in his report, other countries that may take the effort more seriously.

In addition, in the last several weeks, we have met with the group of major UN contributors to work to advance a set of management and administrative reforms.

Together this group of 14 countries—the Geneva Group—contributes 80 percent of the UN's budgets.

We agreed that it is essential that, whatever set of reforms the UN considers later this year, matters of management, administration, personnel, accountability, transparency, and oversight must be included. We are communicating to the Secretary-General to express our belief that management and administrative reforms are critical to achieving the vision of the UN Charter.

#### CONCLUSION

Mr. Chairman, the United Nations is indeed in need of reform to make it more efficient, effective, and responsive to the challenges that the world lays on its doorstep. Budgetary discipline, managerial accountability, and transparency are critical to reform. The United States must continue to play a leadership role in this reform effort.

Reforming the United Nations is an evolutionary process—it is not a one-time event. We believe that pushing for continued incremental reforms is an effective way to make changes that will last and we now have an opportunity to make far greater progress than ever before.

We will press on, insisting that steps be taken to create a culture of accountability and integrity, improve effectiveness, and boost the relevance of the UN's work. The success of any larger institutional reform discussed in Cluster Groups in New York and addressed at a High Level Event as the next General Assembly convenes in September will depend on it. And we will closely monitor the UN's progress in implementing management improvements and reforms.

Mr. Chairman, the momentum for management and oversight reform at the UN is clearly growing, and you can be assured we will continue striving to make the UN a more effective and responsible partner in advancing peace, development, and human dignity.

Thank you. I would be happy to answer your questions.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Lagon. Congressman Smith, to begin the round of questions?

Mr. SMITH. Thank you very much, Madam Chair. Let me just ask you, Mr. Lagon, what, in your view, is the most effective leverage the United States can use to effectuate change at the United Nations? Obviously, we are engaging in, I think, a very robust dialogue. I think the fact that we had a representative to the UN here today and at previous briefings is a very hopeful sign of better cooperation and understanding on both sides.

But, you know, I mentioned earlier today with the previous round of questioning, that one of the ways the Inspector General Office was established was with at least the withholding of some UN funding. Obviously there are two schools of thought on that and I was wondering what the Administration's view was on having that kind of language in legislation?

And secondly, what is the Administration's position on the independence of the OIOS and a separate line item in the United Nation's budget for the organization? In your view, are we making progress in New York on that, if you could talk about that? And what specifically is the UN or the U.S. proposal that you just referenced in your oral statement with regards to that agency?

Mr. LAGON. Sure. Let me start with OIOS, if I might. We worked with the Geneva Group, which is the 14 nations that together pay both in the regular budget and the peacekeeping budget 80 percent of the bills and as a collective proposal. We were looking at ways to strengthen OIOS. The first step we got was the automatic release of reports at the demand of a single member state and then left on the table was a proposal from last winter to look at independent funding. And it is being studied in the UN.

And we need to go with those states, using the leverage of the major contributors to the UN, saying that OIOS should not have to go say "Mother may I?" to those Secretariat officials whom they are responsible for overseeing, to see whether there should be a boost in funding or personnel for them to do their work. There should be more direct access to the Fifth Committee and the General Assembly. And so that is what we are going to push for in general.

Now you asked a larger question about what is most effective. Leverage is important and one just has to look at, in legislation, whether certifications or conditions for reform are achievable ones. They need to be important and they need to be within reach. I know there is legislation that is being developed in the House International Relations Committee and will be in discussion with both the Republican and Democratic sides about that. We are going to review it. But that is going to be a major touchstone for our view on it.

Mr. SMITH. And just one final question, with regards to the reform of the UN human rights structure, is it your sense that we will see a morphing of the UN Human Rights Commission—or maybe a scrapping of it would be a better way of looking at it—to this new structure? What, in your sense, is the timeline when that will be up and running?

Mr. LAGON. Well, there is a lot of momentum. There is clearly a lot of interest that has been created by the Secretary-General's proposal. The Western countries have shown the greatest enthusiasm about it. There are misgivings on the part of the developing world as to what it would be like. Perhaps part of what is vexing to us about how the Commission on Human Rights is doing business as it stands is just fine with some nations.

I do not think you will likely get farther than a framework for what the new body might look like by the September High-Level Event in which a group of reform proposals will be examined. But our hope is that we will dig into the details of what a Human Rights Council would be like to replace the Commission on Human Rights sooner rather than later. I think that we should strike while the iron is hot and we are going to need to make sure that it does not turn out to be just basically a slightly smaller version of the very same thing, with the same problems.

Mr. SMITH. Is it likely that the rapporteur system will be reformed in that as well? I will give you an example. When I was with you at the Human Rights Commission a couple of months ago, couple of weeks ago, really, and in previous meetings there, I have always made a point of meeting with various rapporteurs. This time it was with Mr. Nowak, who is a very well respected Rapporteur on Torture. He has been invited by the Chinese to visit the People's Republic of China, and the concern is that his terms of reference will not be realized, and he will not have unfettered access. He could find himself retaliated against with beatings by the guards in the prisons.

And yet the Chinese are using that, the fact that they have invited him, for all of the diplomatic leverage they could possibly get, by saying, "Look, we have invited the rapporteur to come." It gives China a certain bridge to the next crisis and it is a game that real-



ly needs to end. How do we strengthen the rapporteur system so that when a rapporteur is required to go to a country like Cuba, the special rep can get in to do the work that they certainly should be doing. It seems to me that the stonewalling by a country which has a poor record carries no penalty. I am not sure what that penalty could be, but perhaps you might have some thoughts.

Mr. LAGON. Well, one thing we ought to make sure first is that any change in the apparatus of the UN on human rights issues does not take us backwards on rapporteurs. We need to get those rapporteurs, who are the crucial element of any country-specific resolutions, into those countries so those games are no longer played.

And a part of this work can be helped by the High Commissioner for Human Rights. There is a larger consensus in the discussion of UN reform about building the capacity of the Office of the High Commissioner for Human Rights. There is a role that she can play in rationalizing the respective duties of different Rapporteurs for Torture, for Arbitrary Detention, and so on, but also, she can, I think, assist in giving them a little moral adrenalin to keep at it. Because, to tell you the truth, a lot of these rapporteurs have a whole menu of countries they can see and sometimes their will to be like a dog on a bone on a particular country with a repressive regime may not be as substantial as we might think. We need to make sure that the discussion of creating peer review, sitting down and looking at each other's record in a new Human Rights Council is not an excuse to replace country specific resolutions, which are the kinds of resolutions that create rapporteurs.

Ms. ROS-LEHTINEN. Thank you, Mr. Smith. Mr. Delahunt.

Mr. DELAHUNT. Yes, thank you, Madam Chair. Mr. Secretary, what is the position of the Administration on the withholding of dues if this Committee should come forward with legislation that incorporates withholding of dues, a percentage thereof, whatever? I am certainly not supportive of that. What is the position of the Administration?

Mr. LAGON. In general, we welcome legislation that shows that the Congress stands strongly behind the Administration's efforts for reforms. Specifically, to answer your question about withholdings, the Executive Branch has made the request for appropriations and their authorization for our dues for both the regular budget and the peacekeeping budget, and—

Mr. DELAHUNT. So can I—

Mr. LAGON [continuing]. We stand by that.

Mr. DELAHUNT. So let me be clear, because I think it is important that we do be clear and that we do not equivocate. It is the position of the Administration that the United States should pay its appropriate dues to the United Nations, not a maybe, not a percentage, but should pay its full dues to the United Nations.

Mr. LAGON. It is an obligation we have signed on to.

Mr. DELAHUNT. Thank you. I think you were here earlier when I vented my frustration.

Mr. LAGON. I think I am going to be hearing about Oil-for-Food.

Mr. DELAHUNT. You are—actually, it is not about Oil-for-Food. It is about the Security Council as opposed to the Secretariat. Let me be very clear. I want to state for the record that this was com-

menced in a Democratic Administration and clearly has been continued by a Republican Administration, up to the beginning of the war in Iraq.

But with all the attention and all of the scrutiny of the Oil-for-Food Program, the reality is that 75 percent of the illegal, illicit revenues that ended up in the pockets of Saddam Hussein that supported his regime and all of the nefarious machinations that he utilized to suppress the Iraqi people, came from a decision by the Security Council to simply "take note." I guess that is fancy euphemism in diplomatic-speak that I am not familiar with, of the fact that while the United Nations had, in the aftermath of the first Gulf War, passed a sanctions regime that was rather clear, and then when it was violated, made believe that it was not happening.

I mean, to me, this is truly Alice in Wonderland. Let us pass a law, let us see if it is violated and if it is violated, we will take note of that. That is absurd.

Now, it might be beyond me, I am very simple-minded. But I really believe that if the American people were really aware of this, they would be outraged, because that \$8 billion or \$9 billion really supported the efforts of the Saddam Hussein regime to stay in power, oppress the people and purportedly would be utilized to acquire weapons of mass destruction. What happened?

Mr. LAGON. There are a lot of players here responsible for the siphoning of money off of Oil-for-Food and it is appropriate to look at not just UN officials. You noted earlier in the exchange with Mr. Malloch Brown that that is a relatively small proportion, but still, given the size of the funds, very serious—

Mr. DELAHUNT. Right, I understand, but if you could get to my question.

Mr. LAGON. But as far as your question goes, it is a question of political will among member states. There is a lot of circumlocution in the diplomatic-speak of the Security Council, where you get expressions like "takes note." But one needs to appreciate that while you look at the record of what the United States did along with other countries—

Mr. DELAHUNT. But it is not just the United States, it is the entire Security Council.

Mr. LAGON. The United States has a veto, but at times, a veto represents a brake, but not an accelerator pedal to get done what needs to be done. If I may?

Mr. DELAHUNT. Sure.

Mr. LAGON. There are other relevant examples. I mean, the horrors of Sudan, we would be able to—

Mr. DELAHUNT. I do not want to get into Sudan.

Mr. LAGON. Let me just make a quick point about it. I am not trying to divert the issue here.

Mr. DELAHUNT. We do not do filibusters in the House, only over in the Senate.

Mr. LAGON. I used to be a Senate staffer.

Mr. DELAHUNT. Obviously, if the Chairman will indulge me? [Laughter.]

Mr. ROS-LEHTINEN. We will forgive him for that.

Mr. LAGON. On Sudan, we have not moved as quickly or as thoroughly as we could, because of the same problem of political will.

All this discussion of the Security Council and its apparatus and its size is one thing. But ultimately, the political will of states to live up to their responsibilities is even more important.

Mr. DELAHUNT. But the point that I am making is, if you are an American citizen watching our exchange right now and you realize all of a sudden that we have spent countless hours investigating the manipulation of a program that implicates maybe \$1 billion, \$1.5 billion, and yet, at the same time, at the same time, we, as part of the Security Council, look the other way when it came to the allowing of violating a sanction regime that allowed Saddam Hussein possibly to stay in power.

It just does not compute. I believe, you know, Americans, whether they are in the blue States or in the red States—

Ms. ROS-LEHTINEN. Thank you. Mr. Lagon, 1 minute to respond.

Mr. LAGON. We need to look at both. Obviously in the first place, we cannot cast aside any wrongdoing done by UN officials to either profit themselves or to permit skimming by others.

But as far as the responsibility of Security Council members goes, that deserves attention. We cannot set it aside and we need to look at ourselves as well as some other nettlesome members of the Security Council.

Mr. DELAHUNT. Thank you.

Ms. ROS-LEHTINEN. Thank you, without objection, the briefing by Mr. Malloch Brown will be printed jointly with the record of this hearing and the formal statement by Mr. Malloch Brown will be inserted into the record of the briefing.

Mr. Smith, for some follow up questions.

Mr. SMITH. Just one final question, Dr. Lagon. Regarding the Secretary-General's proposed Human Rights Council, could you comment on concerns the Administration has regarding whether his proposal of a two-thirds vote in the General Assembly is optimal for insuring a high standard of conduct for membership to the proposed council?

Mr. LAGON. You know, we are at the very height of a review of trying to figure this out. I mean, one can think on the one hand that a two-thirds vote might allow for a blocking one-third to prevent some of the most heinous dictatorships from getting on the Human Rights Council, which is, of course, the blotch on the Commission on Human Rights. At the same time, one needs to look at whether a two-thirds vote would stop some of the nations from getting on that are most aggressive in the best sense at trying to shed light on the human rights situation in repressive regimes. We need to figure that out and we need to look at the broader questions on the size of the council, the location of the council, and whether peer reviews are a good idea.

But we are close to the point in which we are going to be weighing into the discussions in New York about specifics, not just backing the idea that it is time to scrap a Commission on Human Rights which the Secretary-General has described as casting a shadow on the reputation of the entire UN system.

Mr. SMITH. Thank you, Doctor.

Ms. ROS-LEHTINEN. Thank you. Mr. Delahunt, 1 minute to close this.

Mr. DELAHUNT. Sure. My good friend Chairman Burton made a point about the availability of information. I have had a similar problem. I understand there were some 70 contracts that the 661 Committee or rather the Secretariat brought to the attention of the Security Council, the 661 Committee, that claimed that there was overpricing.

I have been asking to see those contracts and receive some sort of explanation from both the United States Mission as well as any other willing member of the Security Council to explain why, apparently, those warnings were ignored.

If you have information about those 70 contracts, could you tell us? And if you do not, would you be able to provide me with the documents and some information regarding them?

Mr. LAGON. I will have to take your question. I came here today prepared to talk about UN management reforms. I do not know the answer to that question, but we will take it, because it is a reasonable question, and we will respond to you and the Committee.

[The information referred to follows:]

WRITTEN RESPONSE RECEIVED FROM MARK P. LAGON, PH.D., TO QUESTION ASKED DURING THE HEARING BY THE HONORABLE WILLIAM D. DELAHUNT, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF MASSACHUSETTS

Attached is a spreadsheet listing the 67 contracts identified as possibly having over-priced items. The spreadsheet lists the contract number, the comments from the inter-agency review process, the instructions from the Department of State to the United States Mission to the UN, and any additional comments from the Office of the Iraq Programme (OIP) and/or suppliers.

Of these 67, nine are not available, as they were not circulated to the committee. OIP approved seven of the contracts not circulated.

Of the remaining 58 contracts the US approved 24 and held 34. Only six of the contracts had pricing comments made by the inter-agency reviewers. Of those, three were approved and three were held. Only one of the held contracts was put on hold for pricing. The contracting supplier later provided an acceptable explanation and the hold was released.

Comm #	Reviewers Comments	IO/PHO Instructions	OIP Customs Report/Supplier Comments
630979	Defer to oil experts.	OK	"price appears high when compares to the prices for similar products."
702616	Based on NP FO instruction, this Comm should go forward.	OK	"price is higher than market price...explanation of supplier is deemed reasonable and acceptable." Supplier: "rubber is multistage and complex manufacturing and also there are limited supplies."
	NOTE: Contract contains a clause that all bank charges within Iraq are for the Iraqi buyer;	x	x
	NOTE: Contract contains a penalty clause with no upper limit.	x	x
730638	No technical objection provided Saybolt oversee the receipt, installation and periodically observe the use of the three 750 kVA generating sets. Comm will also need OFAC/DOC approval.	OK With Saybolt observation of installation and end use of delivery.	missing comm
	NOTE: Comm contains goods likely manufactured in the US - so OFAC approval is required.	x	x
730828	Not enough information to make a final assessment.	Hold for technical specifications on air blower, vessels and tube bundles and Please provide the specific end-use of all items and include what liquids or gases they will be used to process; Please indicate if any items are lined and provide the material composition of the lining and drawings for all items; How will the furfural be used in this process or the process requiring the tanks? (RVT/DTRA)	missing comm
	Please provide the specific end-use of all items and include what liquids or gases they will be used to process;	x	x
	Please indicate if any items are lined and provide the material composition of the lining and drawings for all items;	x	x
	How will the furfural be used in this process or the process requiring the tanks?	x	x
	NOTE: Supplier previously listed the items as 3 sets and OIP requested itemization and material specifications; Supplier then itemized the sets but listed the material composition of everything as "carbon steel";	x	x

730859	Not enough information to make a final assessment.	Hold - Contract does not make sense. Delivery, handling and after sales services account for 25 % of total contract price. Please explain why CD-ROM's require about \$30,000 for service and delivers. Where is the money going? (RVT)	"prices for delivery and handling services and the after sale services are considered to be significantly higher than what is considered reasonable."
	Contract does not make sense. Delivery, handling and after sales services account for 25 % of total contract price. Please explain why CD-ROM's require about \$30,000 for service and delivers. Where is the money going?	x	x
730959	Not enough information to make a final assessment. Medium risk.	Hold - Please provide technical information on all probes and cables including manufacturer's data sheets, function, dimensions and material composition (items #8, #9 through #11, #15, #16, #19 through #30, and #36); Please provide specifications for the ultrasonic thickness detector including output power (item #12); Please resubmit technical data for thickness gauge, flaw detector, and associated probes and materials (items #3 through #37) in a readable format; Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component; Please provide all requested non-alloy or polymer material compositions as an IUPAC or CAS designation, as a standard commercial designation, and as a percentage composition by weight for each component (RVT/PAT)	"prices higher than prices of similar or substitute goods quoted previously in the framework of the program. Supplier: "these are our selling prices, which have been accepted by the customer and we are certainly not going to change them."
	Please provide technical information on all probes and cables including manufacturer's data sheets, function, dimensions and material composition (items #8, #9 through #11, #15, #16, #19 through #30, and #36);	x	x
	Please provide specifications for the ultrasonic thickness detector including output power (item #12);	x	x
	Please resubmit technical data for thickness gauge, flaw detector, and associated probes and materials (items #3 through #37) in a readable format;	x	x

	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component;	x	x
	Please provide all requested non-alloy or polymer material compositions as an IUPAC or CAS designation, as a standard commercial designation, and as a percentage composition by weight for each component;	x	x
	NOTE: Technical information for several items was illegible due to poor reproduction;	x	x
	NOTE: Destination is Taji Gas Filling Company.	x	x
801654	Technical objection (UNMOVIC objection as well).	Hold - Goods are on the 1051 items: Tab 10, Page 22, Paragraph 8.9, fogger with spares and accessories delivery rate exceeds 1 liter per minute;	"...prices appear very high compared to similar machines offered on the internet." Supplier: "no compatible fogging machine available in the marketplace...price also includes training, warranty, 15 trainees, lifetime guarantee, 3yrs tech support and assistance for end users of machines"
	x	Please provide specifications for all pumps including dimensions, weight, type, material compositions of all components and linings, flow rate, inlet/outlet pressure, rotation speed, and drawings (items #20 and #22);	x
	1051 items: Tab 10, Page 22, Paragraph 8.9, fogger with spares and accessories delivery rate exceeds 1 liter per minute;	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, minimum internal diameter, maximum pressure, actuator response time and drawings (item #23); Please provide the specific end-use and purpose and specific end-use locations for this equipment.(RVT/PAT)	x
	Please provide specifications for all pumps including dimensions, weight, type, material compositions of all components and linings, flow rate, inlet/outlet pressure, rotation speed, and drawings (items #20 and #22);	x	x
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, minimum internal diameter, maximum pressure, actuator response time and drawings (item #23);	x	x

	Please provide the specific end-use and purpose and specific end-use locations for this equipment.	x	x
	NOTE: This fogger is a line delivery device with flow rates of 10-200 gallons per hour, droplet sizes from 0.5 to 200 microns, and total fog generation capability of 400-600 cubic meters per minute;	x	x
	NOTE: Supplier to establish 3 permanent workshops in Baghdad, Basrah, and Ninevah to maintain the foggers - OIP page states that UN legal opinion suggests these do not fall within the ambit of the program;	x	x
801753	No technical objection.	OK	"price appears 30% higher than market price taking into consideration of the freight and insurance."
801841	Not enough information to make a final assessment.	Hold - Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, rotation speed and drawings (items #1 - #5); Please provide all requested alloy material compositions as an ASTM or DIN standard alloy or as a percentage composition by weight for each alloy component.(RVT/DTRA)	"...might be considered as higher than comparable goods from the same phase."
	Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, rotation speed and drawings (items #1 - #5);	x	x
	Please provide all requested alloy material compositions as an ASTM or DIN standard alloy or as a percentage composition by weight for each alloy component.	x	x
	NOTE: Contract allows shipment of goods from any of 4 different countries.	x	x
801873	Technical objection (UNMOVIC objection as well).	Hold - Goods are on the 1051 list as indicated by the Secretariat. items: Tab 10, Page 46, Paragraph 2.7 - Pentium III computers;(RVT/DTRA/PAT/DOE )	"...goods in question are approximately 100% higher than normal market value."
	1051 list items: Tab 10, Page 46, Paragraph 2.7 - Pentium III computers;	x	x
	NOTE: Contract requires a certificate of origin legalized by Iraqi embassy;	x	x



	NOTE: Training for 4 technicians for 2 weeks in Jordan;	x	x
	NOTE: This does not seem to meet the conditions of Humanitarian needs or rebuilding the infrastructure.	x	x
801996	Based on NP FO instructions, this Comm should go forward.	OK	"...price and value are higher in comparison with already approved applications."
	NOTE: Kits are not itemized	x	x
802072	No technical objection but will defer to electrical experts and provided that UNOHCI oversee the installation of the 60 generator sets in fixed locations and periodically observe their use.	Hold - goods are dual use (DTRA)	"...price and value appear higher than the industrial standard for similar goods." Supplier: prices are according to tender specification which had a lot of special requirements rather than standard gensets.
	NOTE: Contract includes training for two technicians for three weeks;	x	x
	NOTE: Contract requires that certificate of origin be legalized by the Iraqi Embassy;	x	x
	NOTE: Contract contains a clause that all bank charges within Iraq are for the Iraqi buyer and appears to include 15 basis points for opening letter of credit;	x	x
	NOTE: OIP noted that the cost for the goods is somewhat higher than equivalent industrial standards and has accepted supplier's explanation.	x	x
802084	No technical objection but will defer to electrical experts.	OK	"...prices appear higher than prices for similar good of previous application processed by this office." Supplier: the prices are only estimated and are based on the price of copper on the London Metal Exchange and the exchange rates between US dollars and Euros
	NOTE: Contract allows for Iraqi inspection at production site; OIP page states that the prices are higher than normal for the goods. Supplier explains that the prices are only estimated and are based on the price of copper on the London Metal Exchange and the exchange rates between US dollars and Euros.	x	x
802109	No technical objection.	OK	"...prices are higher in comparison with already approved applications."
	NOTE: No specific end-use provided;	x	x

	NOTE: Contract contains a clause that all bank charges within Iraq are for the Iraqi buyer and appears to include 15 basis points for opening letter of credit (3.75% of contract value?);	x	x
	NOTE: No prices listed for spare parts.	x	x
802367	Not enough information to make a final assessment.	Hold - Please provide specifications for all computers including processor type and manufacturer, maximum certified clock speed, certified thermal operating range, and MTOPS rating (item #33); Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressure, rotation speed and drawings (items #60 and #203) (RVT)	"...prices appear higher than similar goods of previous applications." Supplier: "...higher prices are due to the dimension and loading capacity of the cranes."
	Please provide specifications for all computers including processor type and manufacturer, maximum certified clock speed, certified thermal operating range, and MTOPS rating (item #33);	x	x
	Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressure, rotation speed and drawings (items #60 and #203).	x	x
802479	Technical objection.	Hold - Please provide the EXACT source for this equipment; Please provide specific end use for equipment and user location (RVT/DTRA)	"...prices appear higher than prices for similar or identical goods processed by this office."
	NOTE: Defer to NP Front Office;	x	x
	Please provide the EXACT source for this equipment;	x	x
	Please provide specific end use for equipment and user location;	x	x
	Comm requires a thorough telecommunications review;	x	x
	NOTE: Exporting company is Al Baha Establishment for Applications of Technology;	x	x
	NOTE: Contract contains monopoly clauses stating that the State Companies for Water/Land Transport are the only agents in Umm Qasr with whom the supplier may deal;	x	x
	NOTE: Contract requires a certificate of origin legalized by Iraq Embassy;	x	x

	NOTE: Supplier must provide 2 samples of materials with their technical specifications within 10 days from the date of contract;	x	x
	NOTE: OIP requested clarification as to why the prices for the TV monitors and parabolic antennae (items #9, 10, 13, and 19) are higher than prices for similar goods processed by their office;	x	x
	NOTE: Nameer S. Bader has been associated with Al Baha Establishment as the technical manger. Further, should OFF support Saddam's propaganda machine?	x	x
802493	No technical objection.	OK	"...prices appear higher than prices for similar goods of previous applications."
	NOTE: Contract specifications appear to indicate bus frameworks will be reinforced;	x	x
	NOTE: Parts lists contain no individual prices	x	x
802612	Not enough information to make a final assessment Medium-high risk	Hold - Please provide technical specifications for Schenk portable vibroport to include type of feedback loop, frequency range, RMS vibration force and maximum imparting force capability (item #12)(RVT)	"...price and value are higher than prices stated on previous application for similar goods provided by same supplier.: Supplier: "the contract provides for accessories not included in previous supply and that a price increase of 7% is applied on the previous quotation dated November 2000."
	Please provide technical specifications for Schenk portable vibroport to include type of feedback loop, frequency range, RMS vibration force and maximum imparting force capability (item #12)	x	x
	NOTE: Contract allows for Iraqi inspection at the production site	x	x
830124	No technical objection.	OK	"...some pricing appears slightly high, while the majority appears reasonable and acceptable."
	NOTE: Contract includes explosion telephone handsets	x	x
830132	Not enough information to make a final assessment. If subsequently approved, Comm will also need OFAC/DOC approval.	Hold - Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (items #51 and #63);	missing comm

	x	Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressure, rotation speed and drawings (items #21 and #24); Please provide technical specifications for the compressor to include material composition for all components that come in contact with process fluid, volume rate and pressures (item #18) (RVT)	x
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (items #51 and #63);	x	x
	Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressure, rotation speed and drawings (items #21 and #24);	x	x
	Please provide technical specifications for the compressor to include material composition for all components that come in contact with process fluid, volume rate and pressures (item #18);	x	x
	NOTE: Goods are of US origin - so OFAC/DOC approval is required	x	x
830236	No technical objection provided Saybolt oversee the receipt and installation of the A316 heat exchangers in Baiji Refinery.	OK With UN observation of installation and end use	"...some pricing appears slightly high, while the majority appears reasonable and acceptable." "...the inspections costs appear excessive."
	NOTE: OIP notes that services portion of the contract appears excessively high;	x	x
	NOTE: Several of the alloys specified are ASTM-316;	x	x
	NOTE: Materials destined for the lube oil complex at Baiji refinery	x	x

830250	Not enough information to make a final assessment. If subsequently approved, Comm will also need OFAC/DOC approval.	Hold - Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressure, rotation speed and drawings (items #31, #52, and #55); Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (item #49 through #51).(RVT)	"...most prices appear within a reasonable and acceptable range, while others appear high."
	Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressure, rotation speed and drawings (items #31, #52, and #55).	x	x
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (item #49 through #51).	x	x
	NOTE: Contract likely includes US manufactured goods - so OFAC/DOC approval is required	x	x
830252	Not enough information to make a final assessment. If subsequently approved, Comm will also need OFAC/DOC approval.	Hold - Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressure, rotation speed and drawings (items #63 and #166); Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (item #86, #87, #97, #147, #148, #151, #152, and #153).(RVT)	missing comm
	Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressure, rotation speed and drawings (items #63 and #166);	x	x

	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (item #86, #87, #97, #147, #148, #151, #152, and #153).	x	x
	NOTE: Contract likely includes US manufactured goods - so OFAC/DOC approval is required	x	x
830465	Not enough information to make a final assessment. Medium risk.	Hold - Please provide specifications for the breathing apparatus including manufacturer's data sheets, drawings, and photographs (component of item #1). (RVT)	missing comm
	Please provide specifications for the breathing apparatus including manufacturer's data sheets, drawings, and photographs (component of item #1).	x	x
830509	No technical objection	OK	"...price and value appear high."
830515	No technical objection	OK	missing comm
830593	Not enough information to make a final assessment. Medium-high risk.	Hold Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressures, rotation speed and cross sectional drawings (items #17, #18, spare parts for auxiliaries: items #1, #5, #8, #14, #15, #22, #23, special tools: items #13, #18, repair set: item #132, and spare electric motor: item #2). Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (items #3, #4, #5, #11, #12, #13, #25, spare parts for auxiliary: items #18, #28, repair set: item #28, #73, #138, and #214); Please specify the material composition of the pipes and any associated linings (repair sets: items #186 through #191 and maintenance set: item #52); Please provide specifications for the welders including manufacturer's data sheets, type (e.g., DC arc, TIG, MIG, etc), and any provisions or options for providing gas to	"...price of item 98 appears high than normal commercial standard." Supplier: "prices have been found out on account of our experience. The costs are partly estimated, because we have to calculate also cost of risks like for example cost resulting by delayed of our subcontractors, cost for the packing of the shipment or delayed payments. ...The costs for services for professional mounting, initial operation, operation instructions, raw container, container conversion, insulation and surfact treatment cost for carriage for a crane and use at location, insurance/bank cost, installation, supervision and unforeseen costs."
	x	x	x

	Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressures, rotation speed and cross sectional drawings (items #17, #18, spare parts for auxiliaries: items #1, #5, #8, #14, #15, #22, #23, special tools: items #13, #18, repair set: item #132, and spare electric motor: item #2);	x	x
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (items #3, #4, #5, #11, #12, #13, #25, spare parts for auxiliary: items #18, #28, repair set: item #28, #73, #138, and #214);	x	x
	Please specify the material composition of the pipes and any associated linings (repair sets: items #186 through #191 and maintenance set: item #52);	x	x
	Please provide specifications for the welders including manufacturer's data sheets, type (e.g., DC arc, TIG, MIG, etc), and any provisions or options for providing gas to the welding head (items #89 and #105);	x	x
	Please provide the technical specifications for the upright drilling machine including manufacturer's data sheets, number of axes, positional accuracy for each axis, run-out error, and specifications for any numerical or computer controller (item #106);	x	x
	Please identify the parts labeled "visco with exmotor" (spare parts for auxiliary: item #12) and "Pt 100" (spare parts for auxiliary: item #13);	x	x
	Please provide all alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component.	x	x

	NOTE: Contract contains monopoly clauses stating that the State Companies for Water and Land Transport are the only agents in Umm Qasr with whom the supplier may deal	x	x
830806	Technical objection. If subsequently approved, Comm will also need OFAC/DOC approval.	Hold: Military dual-use item: concern related to draft GRL: Heavy military transport addition - heavy duty truck with pressurized cabin and 360o rotating table (item #1) and crane truck unit (item #5);	"...price and value found to be significantly higher than the prices of similar or substitute goods quoted previously in the framework of the program." Supplier: "Basically all prices are a matter of negotiations between the customer and the supplier, based on everybody's skillness and strategy. You negotiate, until each partner is satisfied and in a win-win position. Sometimes you can sell the same products at a higher price, sometimes you must even sell under your break-even-point -- that's business.
	x	Please provide technical specifications for depth measuring systems including function, dimensions, material composition of major components, manufacturer's data sheets, means of operation, and technical drawings (items #7 and #8); Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (items #8/22/7, #8/22/35, #9/6, and #44/35); Please provide specifications for pumps and compressors including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressures, rotation speed and cross-sectional drawings (items #9/21 and #9/26); Please provide specifications for pollen filters including pore size, maximum efficiency, flow rate, material composition, maximum pressure, and dimensions (items #42/5 and #43/5); Please provide technical specifications for tool catcher, dual hydraulic BOP, and BOP cage including function, dimensions, material composition	x
	NOTE: DOD should thoroughly review vehicles included in the contract.	x	x
	Military dual-use item: concern related to draft GRL: Heavy military transport addition - heavy duty truck with pressurized cabin and 360o rotating table (item #1) and crane truck unit (item #5);	x	x



	Please provide technical specifications for depth measuring systems including function, dimensions, material composition of major components, manufacturer's data sheets, means of operation, and technical drawings (items #7 and #3);	x	x
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and drawings (items #8/22/7, #8/22/35, #9/6, and #44/35);	x	x
	Please provide specifications for pumps and compressors including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressures, rotation speed and cross-sectional drawings (items #9/21 and #9/26);	x	x
	Please provide technical specifications for tool catcher, dual hydraulic BOP, and BOP cage including function, dimensions, material composition of major components, manufacturer's data sheets, and technical drawings (items #9/2, #9/8, and #9/25);	x	x
	Please provide technical specifications for photomultiplier tubes including dimensions, material composition, operating spectral range, manufacturer's data sheets, and technical drawings (items #16, #17, #22 and #23);	x	x
	Please provide the specifications for the neutron source container including material composition and dimensions (item #30);	x	x
	Please provide technical specifications for lab equipment including functions, dimensions, material composition of major components, manufacturer's data sheets, and technical drawings (Appendix 5, items #5 through #8 and #10 through #12);	x	x

	Please provide technical specifications for cable head components and depth measuring systems including function, dimensions, material composition of major components, manufacturer's data sheets, means of operation, and technical drawings (Purchase Order, items #1.3.3 through #1.3.6, #1.5 and #1.6);	x	x
	Please provide technical specifications for cabin pressurization system including function, pressurization range, details on intake filters, and technical requirements for this feature (component of Peterbilt 362, item #1);	x	x
	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component;	x	x
	Please provide all requested non-alloy or polymer material compositions as an IUPAC or CAS designation, as a standard commercial designation, and as a percentage composition by weight for each component;	x	x
	NOTE: Contract includes US manufactured goods - so OFAC/DOC approval is required;	x	x
	NOTE: Most line items have no price and are "included in..." another line item;	x	x
	NOTE: Training for number and type of personnel for 2 days "On-Shore" with provision for additional "On-Shore" days; Crane truck (Mercedes 6x4, item #5) contains a central inflation system.	x	x
830819	Based on NP FO guidance, this Comm should go forward.	OK	missing comm
	For future reference, the following information would be helpful:	x	x
	Please provide specifications for all metal assemblies including function and use, manufacturers data sheets, drawings, and material composition (items #6, #7, #23, #24, #43, and #44);	x	x

	Please provide the request for alloy material composition as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component.	x	x
900026	Notification - not circulated to committee	N/A	Not available
900398	OIP Approval - not circulated to committee	N/A	Not available
900403	No technical objection.	OK	"...prices appears higher than the market price but the same goods with the same price had been already approved in phase 8." Supplier: prices for material and labor had been increased"
	NOTE: Contract contains a penalty clause with no upper limit.	x	x
900503	No technical objection.	OK	missing comm
	NOTE: CONTRACT EVENTUALLY NULL AND VOID	x	x
	NOTE: OIP notes that the station wagons appear to have a unit cost higher than appropriate. Supplier states that this is because they are "top of the line" vehicles and compares them to US cost of similar Land Cruiser	x	x
900651	Notification - not circulated to committee	N/A	Not available
900990	Not enough information to make a final assessment. Medium-high risk.	Hold - Please provide specific material compositions of the materials supplied (items 1.a through #1.e). (RVT/DOE)	"...price appear higher than standard price for similar goods." Supplier: "the refractories to be provided under the contract are not standard, they are manufactured as per customers specifications for meeting the specific requirements of the furnace and to increase refractories life, quality raw materials have been used for their production."
	Please provide specific material compositions of the materials supplied (items 1.a through #1.e).	x	x
	NOTE: Contract allows for Iraqi inspection at the production site;	x	x
	NOTE: Exporting company is NEC engineers from India.	x	x
	(Fire bricks (820.7 Ton) for reconstructing glass container production furnace - India - NEC Engineers Pvt Ltd)	x	x
901857	No technical objection	OK	"...price and value appear higher than the normal commercial standard."

901858	No technical objection	OK	"...prices appear higher than normal commercial standard." Supplier: higher premium on odd sizes; steel as a raw material; duration of 3-4 months of receiving UN approval; better negotiation with client; projected increase in freight due to oil price increase."
901890	No technical objection. Comm requires OFAC/DOC approval	OK	"...price appear higher than normal commercial standard." Supplier: "honda motorcycle gold wing is quite expensive; Euro conversion; price of accessories supplied with motorcycle and also the company's margin."
	NOTE: OIP notes that the price for the goods appears to be "higher than normal commercial standard".	x	x
	NOTE: Contract contains US manufactured goods - so OFAC/DOC approval is required	x	x
930114	Not enough information to make a final assessment. Medium-high risk.	Hold - Please provide specifications for the theodolite including manufacturer's data sheets, leveling accuracy, operation of leveling system, azimuth and elevation accuracy and resolutions (in degrees-minutes-seconds of arc) (RVT)	"...price and value appear higher than standard prices for similar goods." Supplier: "theodolites are modern and electronic type and that the prices include transportation costs and many accessories."
	Please provide specifications for the theodolite including manufacturer's data sheets, leveling accuracy, operation of leveling system, azimuth and elevation accuracy and resolutions (in degrees-minutes-seconds of arc).	x	x
	NOTE: Dual use concern relates to S/2001/560, Page 42, Paragraph 8.3.1.	x	x
930247	Not enough information to make a final assessment. Medium-high risk. If subsequently approved, Comm will also need OFAC/DOC approval.	Hold - Please provide specifications for the rotors including photographs, weight, dimensions, a inventory of components with their material compositions that are contained on the rotor, and a description of the methods and locations of balancing (table 1 items #31, #50, and #100-#103); Please provide specification for all valves including dimensions, weight, type, material composition of all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time and drawings (table 1 items #18, #30, #42, #49, #51, and #76-#79) (RVT)	"...price and value found to be significantly higher than the prices of the same or substitute goods quoted previously in the framework of the program." Supplier: "we confirm all prices are correct for high technology Turbine spares, all parts are specific to one unit and need to be manufactured as required."

	Please provide specifications for the rotors including photographs, weight, dimensions, a inventory of components with their material compositions that are contained on the rotor, and a description of the methods and locations of balancing (table 1 items #31, #50, and #100-#103);	x		x
	Please provide specification for all valves including dimensions, weight, type, material composition of all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time and drawings (table 1 items #18, #30, #42, #49, #51, and #76-#79).	x		x
	NOTE: Contract includes US manufactured goods - so OFAC/DOC approval is required.	x		x
	(Spare parts for existing steam turbine and Worthington steam turbine - Jordan - Comet Company Ltd)	x		x
930284	Not enough information to make a final assessment. Medium-high risk.	Hold - Please provide specifications for all valves including dimensions, weight, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings (items #139 through #161).(RVT)		missing comm
	Please provide specifications for all valves including dimensions, weight, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings (items #139 through #161).	x		x
930328	Not enough information to make a final assessment. Medium risk.	Hold - Please provide specifications for the GT-53 turbine for which these spare parts are destined including dimensions, weight, material composition of major components, thrust to weight ratio, manufacturer's data sheets, cross-sectional drawings, and photographs;		"...price appears acceptable for certain items and higher for others (#5-13)."Supplier: "...we confirm all prices are correct for high technology gas turbine spare parts. All quoted parts are specific to one unit and need to be manufactures as required."
	x	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component. (RVT)		x

	Please provide specifications for the GT-53 turbine for which these spare parts are destined including dimensions, weight, material composition of major components, thrust to weight ratio, manufacturer's data sheets, cross-sectional drawings, and photographs;	x	x
	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component.	x	x
	NOTE: Contract is for parts that include nuts, bolts, washers, flexible pipe, bearings and gaskets.	x	x
930613	Not enough information to make a final assessment. Medium-high risk. If eventually approved, Comm will also need OFAC/DOC approval.	Hold - Please provide specifications for the turbines being repaired including manufacturer's data sheets, dimensions, weight, material composition for major components, drawings, and photographs (items #1 through #4);(RVT)	missing comm
	Please provide specifications for the turbines being repaired including manufacturer's data sheets, dimensions, weight, material composition for major components, drawings, and photographs (items #1 through #4);	x	x
	NOTE: Contract includes US manufactured goods - so OFAC/DOC approval is required;	x	x
	NOTE: Contract contains a clause under the "Boycott" section stating that "Any language that limits Solar Turbines Company right to deal with other countries is not acceptable and should no be inserted in any contract".	x	x

930667	Not enough information to make a final assessment. Medium risk. If subsequently approved, Comm will also need OFAC/DOC approval.	Hold: Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings (part #P105742); Please provide specifications for all pumps including dimensions, weight, type, and material composition for all components; Please provide specifications for all nozzles including material composition, dimensions, maximum pressure, flow rate, droplet size distribution, and cross-sectional drawings (item #4-4); Please provide specifications for all tanks including dimensions, volume, and material composition of tank and lining; Please provide specifications for tool including function, drawings with dimensions, and photographs (part #95-7977); Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component. (RVT)	"...price and value appear higher than normal for commercial standard." Supplier: "the equipment is not a standard truck, the goods are systems used in oil and gas well cementing applications. The double pump cementer is used to continuously mix and pump a special type cement into oil and gas well. The chassis is not a standard highway truck chassis but it is specially designed to carry a 60,000 load in off-road environment."
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings (part #P105742);	x	x
	Please provide specifications for all pumps including dimensions, weight, type, and material composition for all components;	x	x
	Please provide specifications for all nozzles including material composition, dimensions, maximum pressure, flow rate, droplet size distribution, and cross-sectional drawings (item #4-4);	x	x
	Please provide specifications for all tanks including dimensions, volume, and material composition of tank and lining;	x	x
	Please provide specifications for tool including function, drawings with dimensions, and photographs (part #95-7977);	x	x

	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component.	x	x
	NOTE: Contract includes US manufactured goods - so OFAC/DOC approval is required.	x	x
1001790	Not enough information to make a final assessment. Medium-high risk.	Hold - Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings (items #125, #158, #159, #166 and #275); Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressures, rotation speed, and cross-sectional drawings (items #171, #284, #286 and #299); Please provide all technical specifications for the compressor including type, pressures, flow rate, working fluid, and material composition for all parts in contact with working fluid (item #285); Please itemize all unspecified repair kits, tool kits, tool bags, first air kits and unspecified accessories (items #8, #44, #92, #93, #95, #234, #244 and #315); Please provide a complete description for the item, "streuscheibe", operating unit, "K Buerstensenatz", and "Klipsfuehler" (items #128, #129, #155,	"...price and value appear high than normal commercial standard." Supplier: "price includes 3 years or 90000 km warranty with FOC maintenance, prices also include margins due to the long period between the offer, the delivery of goods and the relevant payment."
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings (items #125, #158, #159, #166 and #275);	x	x
	Please provide specifications for all pumps including dimensions, weight, type, material composition for all components and linings, flow rate, inlet/outlet pressures, rotation speed, and cross-sectional drawings (items #171, #284, #286 and #299);	x	x



	Please provide all technical specifications for the compressor including type, pressures, flow rate, working fluid, and material composition for all parts in contact with working fluid (item #285);	x	x
	Please itemize all unspecified repair kits, tool kits, tool bags, first air kits and unspecified accessories (items #8, #44, #92, #93, #95, #234, #244 and #315);	x	x
	Please provide a complete description for the item, "streuscheibe", operating unit, "K Buerstensenatz", and "Klipsfuehler" (items #128, #129, #155, #156, #293, and #316);	x	x
	Please provide all requests for alloy material composition as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component.	x	x
	NOTE: Contract contains a penalty clause with no upper limit;	x	x
	NOTE: Training for 5 engineers and 5 medical personnel in Germany for 1 month;	x	x
	NOTE: Contract includes an inspection visit for 3 people in Germany for 1 week;	x	x
	NOTE: OIP page notes that the price appears higher than normal. Supplier explains that price includes 3 years of free maintenance and margins due to long period between offer, delivery of goods, and payment;	x	x
	NOTE: OIP page notes that most of the spare parts are on the pre-approved list and the Comm was only circulated because of inclusion of a vacuum pump	x	x
1002020	No technical objection.	OK	"...price and value appear higher than previously approved applications." Supplier: "prices are not higher than the offers of the other bidders; are based on cif Baghdad via Umm Qasr; and transportation of such products is costlier than the other goods."
	NOTE: Contract contains a penalty clause with no upper limit;	x	x

	NOTE: OIP page notes the price appears higher than previously y approved applications. Supplier states that it is not higher than the offers of other bidders and it is more expensive to ship these materials.	x	x
1030034	No technical objection.	OK	"...price and value appear high." Supplier: "production process requires substantial expenses; 3rd party inspections; shipping through Persian Gulf; increase in insurance costs; port handling charges and on-land transportation; instability of Euro
	NOTE: Application includes a communication from the supplier stating that the added expense of goods is related to the increased insurance premiums required for delivery of goods	x	x
1030035	No technical objection	OK	"...price and value appear high." Supplier: "production process requires substantial expenses; 3rd party inspections; shipping through Persian Gulf; increase in insurance costs; port handling charges and on-land transportation; instability of Euro
	(Pipe line, API-5L X-60 (26 km), heat shrinkable sleeves (2262 total) and repair kits (1350 total) for transportation of crude oil- Russian Federation-State Enterprise Russian Foreign Economic Association Zarubezhneft)	x	x
1030052	Not enough information to make a final assessment. Medium risk.	Hold - Please provide material composition of demulsifier including IUPAC or CAS nomenclature, standard commercial designation, and as a percentage composition by weight for each component;(RVT)	"...price and value appear high." Supplier: "chemical composition and costs of material; percentage of active material; developed specially for NOC"
	Please provide material composition of demulsifier including IUPAC or CAS nomenclature, standard commercial designation, and as a percentage composition by weight for each component.	x	x
	NOTE: Contract lists country of origin listed as Russia and/or Lithuania	x	x
1030211	No technical objection	OK	"price and value appear acceptable for goods but higher for inland transportation." Supplier: "we only know that the cost of hiring ZOT truck from UmmQasr to Kirkuk plus loading and off loading is estimated at Euro 1,220.00"

1030269	Not enough information to make a final assessment. Medium risk.	Hold: Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings (items #46, #47, #56, and #77 through #79); Please provide specifications for all nozzles including material composition, dimensions, maximum pressure, flow rate, and cross-sectional drawing (items #63-65); Please provide specifications for refueler truck and trailer including manufacturer's data sheet for the model ordered, drawings with dimensions, photographs, material composition of tank and any lining, power output (hp), number of axles, and number of driven/steering axles; Please itemize special tools and provide specifications including function, drawing with dimensions, photographs, and material composition (items #31 through #33 and #68); Please itemize the contents of repair kits and provide specifications for components including function, drawing with dimensions, photograph, and material composition (items #4, #5, #9, #	"...pricing was found to be significantly higher than the prices of similar or substitute goods quoted previously in the framework of the program." Supplier: "aircraft refuellers are very special and specific vehicles... vehicles are custom-made which explains the high cost of each unit for which a specific technical study is necessary."
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings (items #46, #47, #56, and #77 through #79);	x	x
	Please provide specifications for all nozzles including material composition, dimensions, maximum pressure, flow rate, and cross-sectional drawing (items #63-65);	x	x
	Please provide specifications for refueler truck and trailer including manufacturer's data sheet for the model ordered, drawings with dimensions, photographs, material composition of tank and any lining, power output (hp), number of axles, and number of driven/steering axles;	x	x

	Please itemize special tools and provide specifications including function, drawing with dimensions, photographs, and material composition (items #31 through #33 and #68);	x	x
	Please itemize the contents of repair kits and provide specifications for components including function, drawing with dimensions, photograph, and material composition (items #4, #5, #9, #26, #61, #62, #67, #72, #75, #345, and #34-86);	x	x
	Please provide all information in English;	x	x
	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component	x	x
1030301	Based on NP FO instructions, this Comm should go forward provided Saybolt and ZAO Interrosagro Ltd. oversee the receipt, secure storage and installation of the PLC system at North Oil Company facilities and periodically observe its use.	Hold - Please provide specifications for the PLC systems including manufacturer's data sheets, certified thermal operating range, maximum certified clock speed, processor model and manufacturer, and MTOPS rating (items #1, #5, and #10); Please verify that no fiberoptics or spare parts are included in this contract (RVT)	"...price and value appear acceptable for goods, however they appear higher for services especially "design and Engineering Services." Supplier: "expenses related to site visits, expenses in neighboring countries, expenses in Iraq; salaries for staff and tech supervisors
	NOTE: NP requested information for the PLC systems (items #1, #5, and #10) and verification that no fiberoptics or spare parts are included in this contract. Supplier provided requested information. PLC systems are acceptable. No fiberoptics or spare parts are included in this contract;	x	x
	NOTE: In a previous review, NP requested specifications for the PLC systems (items #1, #5, and #10) and for verification that no fiberoptics or spare parts are included in this contract. Supplier provided most information. Specifications were given for various PLC systems, but it is unclear which ones have been ordered. The PC workstation (INTEL Celeron 1 GHz processor; item #10) is below 28,000 MTOPS. No fiberoptics or spare parts are included in this contract	x	x
1030337	OIP Approval - not circulated to committee	N/A	Not available
1030338	OIP Approval - not circulated to committee	N/A	Not available

1030339	OIP Approval - not circulated to committee	N/A	Not available
1030353	Based on NP FO instructions, this Comm should go forward.	OK	"...price and value appear high." Supplier: "price level cannot be compared to Brazil, Tunisia and Russians both for quality of the used materials and workmanship. We enjoy a worldwide reputation of quality which has made us the suppliers of tank semitrailers to many countries and we are not prepared to compromise on our quality just to reduce the prices and get a deal."
	NOTE: Tanker, 36 m3, is epoxy-lined, Trailer is 3-axle 2.5 m wide and 12 m long with 3.5" interchangeable kingpin and 1200R20 tires and an insulated food box, repair kit and retractable trolley;	x	x
	NOTE: Contents of toolboxes and repair kits are not itemized	x	x
1030378	Not enough information to make a final assessment. Medium risk.	Hold: Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings; Please provide a legible copy for all pages of the Comm; Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component; Pending further review. (RVT)	"...price found to be significantly higher than prices of similar or substitute goods quoted previously in the framework of the program." Supplier: "higher diameter, higher schedule of pipes, valves and fittings the cost of other items is also relatively high which justifies the increase in pricing."
	Please provide specifications for all valves including dimensions, weight, type, material composition for all components and linings, flow rate, maximum pressure, minimum internal diameter, actuator response time, and cross-sectional drawings;	x	x
	Please provide a legible copy for all pages of the Comm;	x	x
	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component;	x	x
	Still under review for additional comments;	x	x
	NOTE: Much of the fax transmission was unreadable;	x	x
	NOTE: Annexes to the contract were illegible.	x	x
1030389	OIP Approval - not circulated to committee	N/A	Not available

1030554	No technical objection provided Saybolt oversee the receipt and permanent installation of these pumps	OK No-objection provided Saybolt oversee the receipt and permanent installation of these pumps	"...price found to be significantly higher than prices of the same or substitute goods quoted previously in the framework of the program." Supplier: "majority of costs lay with 2 items flowserve and motor; rest of costs are shipping, seals, coupling, baseplate and guard, commissions to agent, bank charges and escalation."
1030623	Technical objection (UNMOVIC objection as well).	Hold - 1051 item: *S/2001/561, Page 58, Paragraph 52.2 b (ii) - CNC electrical discharge machine with 2 or more rotary axes (item #4); WMD dual-use related to S/2001/561, Page 58, Paragraph 52.2 b (i) - CNC wire-fed EDM wire cutting machine with 5-axes (4-axes CNC with Z-axis motorized) (item #3); Please provide all specifications on the single point diamond insert for the grinding machine (parts listing: item #23); Please provide all specifications for the grinding spindles including radial and axial errors (parts listing: items #26 and #27); Please provide specifications for all machines including manufacturer's data sheets and photographs (items #1 through #5); Please provide detailed end use and end user information for the various machines. Also, please describe the various components associated with these machines. Describe how these machines can be fixed in-place at the proposed end user's facilities (RVT/PAT/DTRA/DOE)	"...price appears higher than normal commercial standard." Supplier: "prices are competitive particularly in view of the quality of the components used in the machines."
	1051 item: S/2001/561, Page 66, Paragraph 54.1 - CNC coordinate measuring machine with 3-axes and 4 micrometer accuracy (item #2);	x	x
	*S/2001/561, Page 58, Paragraph 52.2 b (ii) - CNC electrical discharge machine with 2 or more rotary axes (item #4);	x	x
	WMD dual-use related to S/2001/561, Page 58, Paragraph 52.2 b (i) - CNC wire-fed EDM wire cutting machine with 5-axes (4-axes CNC with Z-axis motorized) (item #3);	x	x
	Please provide all specifications on the single point diamond insert for the grinding machine (parts listing: item #23);	x	x

	Please provide all specifications for the grinding spindles including radial and axial errors (parts listing: items #26 and #27);	x	x
	Please provide specifications for all machines including manufacturer's data sheets and photographs (items #1 through #5);	x	x
	NOTE: CNC machines, including lathe machine, coordinate measuring machine, electrical wire cutting machine electrical discharge machine and grinding machine (1 each) with accessories and spare parts from Batliboi International Ltd., India	x	x
1030664	OIP Approval - not circulated to committee	N/A	Not available
1030684	No technical objection	OK	missing comm
1030689	Technical objection.	Hold - Military dual-use item: concern related to S/RES/1382 (2001), Page 5, Paragraph 1.d - endoscope minimum 6-meters length (item #46); Please provide technical specifications for probes including function, dimensions, material composition of major components, manufacturer's data sheets, and technical drawings (items #16 through #21, #32, and #33); Please provide technical specifications for tramnel including function, dimensions, material composition, manufacturer's data sheets, and technical drawings (item #40); Please provide technical specifications for portable metal analyzer including function, dimensions, material composition of major components, manufacturer's data sheets, full list of elemental analytes with analytical sensitivities, detection and analytical limits for each element, list of typical alloys and elements to be analyzed, and technical drawings (item #47); Please provide technical specifications for portable magnetic particle instrument including function, dimensions, material composition of major components, manufacturer's data s	*...price and value appear high." Supplier: "goods are to be exported from Russia to Iraq, goods to be shipped under this contract are subject to the payment of Russian VAT and duties (normally these taxes are not applicable to the goods to be exported)."
	Military dual-use item: concern related to S/RES/1382 (2001), Page 5, Paragraph 1.d - endoscope minimum 6-meters length (item #46);	x	x

	Please provide technical specifications for probes including function, dimensions, material composition of major components, manufacturer's data sheets, and technical drawings (items #16 through #21, #32, and #33);	x	x
	Please provide technical specifications for trammel including function, dimensions, material composition, manufacturer's data sheets, and technical drawings (item #40);	x	x
	Please provide technical specifications for portable metal analyzer including function, dimensions, material composition of major components, manufacturer's data sheets, full list of elemental analytes with analytical sensitivities, detection and analytical limits for each element, list of typical alloys and elements to be analyzed, and technical drawings (item #47);	x	x
	Please provide technical specifications for portable magnetic particle instrument including function, dimensions, material composition of major components, manufacturer's data sheets, means of operation, and technical drawings (item #30);	x	x
	Please provide technical specifications for portable ultraviolet instruments with solutions including function, dimensions, material composition of major components, manufacturer's data sheets, means of operation, and technical drawings (Technical Offer #10C 103T, item #4);	x	x
	Please provide technical specifications for chemicals including function, dimensions, material composition of major components, and manufacturer's data sheets (Technical Offer #10C 103T, item #10);	x	x



	Please provide technical specifications for densitometer including function, dimensions, material composition of major components, manufacturer's data sheets, and technical drawings (Technical Offer #10C 103T, item #13);	x	x
	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component;	x	x
	Please provide all requested non-alloy or polymer material compositions as an IUPAC or CAS designation, as a standard commercial designation, and as a percentage composition by weight for each component.	x	x
1030690	Not enough information to make a final assessment. High risk.	Hold: Please provide specifications for x-ray equipment including manufacturer's data sheets and peak electron energy (item #31); Please provide specifications for fiber optic fibroscope with 6 optical adapters including manufacturer's data sheets and length of fiber optic cable included in and with the item (items #20 and #40 through #43); Please provide specifications for cleaner (item #35), penetrator (item #36), and developer (item #37) including manufacturer's data sheets, quantities to be provided, and chemical composition; Please provide specifications for ink and plant aerosols used in magnetic particle including intended use, manufacturer's data sheets, quantities to be provided, and chemical composition (item #33); Please provide specifications for pinhole detector (item #19) including intended use and manufacturer's data sheets; Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component; Please provide all requested non-alloy or polymer materi	"...price and value appear within an acceptable range except for goods in line #34 to 37 which appear higher." Supplier: "converting Euros; margin for transport insurance and profit..."
	Please provide specifications for x-ray equipment including manufacturer's data sheets and peak electron energy (item #31);	x	x

	Please provide specifications for fiber optic fibroscope with 6 optical adapters including manufacturer's data sheets and length of fiber optic cable included in and with the item (items #20 and #40 through #43);	x	x
	Please provide specifications for cleaner (item #35), penetrator (item #36), and developer (item #37) including manufacturer's data sheets, quantities to be provided, and chemical composition;	x	x
	Please provide specifications for ink and plant aerosols used in magnetic particle including intended use, manufacturer's data sheets, quantities to be provided, and chemical composition (item #33);	x	x
	Please provide specifications for pinhole detector (item #19) including intended use and manufacturer's data sheets;	x	x
	Please provide all requested alloy material compositions as both an ASTM or DIN standard alloy and as a percentage composition by weight for each alloy component;	x	x
	Please provide all requested non-alloy or polymer material compositions as an IUPAC or CAS designation, as a standard commercial designation, and as a percentage composition by weight for each component;	x	x
	NOTE: Industrial x-ray equipment for inspecting welds and missile/rocket production equipment is likely objectionable.	x	x
1030727	Technical objection.	Hold: Why are fourteen of these units required at Baiji? Based on a number of expert's analyses, this seems very excessive for the single facility and indicates use in other areas. (RVT)	"...price found to be significantly higher than the prices of similar or substitute goods quoted previously in the framework of the program."
	NOTE: Conferring with DOD:	x	x
	Why are fourteen of these units required at Baiji? Based on a number of expert's analyses, this seems very excessive for the single facility and indicates use in other areas;	x	x

	NOTE: These are large, trailer mounted, high pressure power washers and other tools and accessories for descaling boilers and heat exchangers for the Baiji Refinery. These items have the potential use for decontamination or for potential dissemination although less likely	x	x
1030742	OIP Approved - not circulated to committee	N/A	Not available
	x	x	x
	x	x	x
	not one of the 70 - USUN found	x	x
930167	Technical objection.	Hold - Change reason: goods are WMD dual use. Even if the supplier were able to address this objection, another objection is that the price charged seems excessive for the normal cost of these goods. Prices would have to be better justified	"...price appears reasonable and acceptable."
	WMD dual use;	x	x
	IO/PHO: The price charged for this equipment appears in large excess to the normal cost of these goods. The extra monies could be funneled back to the regime or somebody is being taken advantage of...	x	x
	NOTE: Facilitating WMD by the monies returned. Condenser (item #1, #5, #11, and #14) appear to be suitable for the advertised methods and equipment. The prices for these units are extraordinarily high;	x	x
	NOTE: NP requested specifications for all condensers (item #1, #5, #11, and #14);	x	x
	NOTE: Supplier sent in technical information.	x	x

Ms. ROS-LEHTINEN. Thank you so much. Thank you, Dr. Lagon. It was a pleasure having you with us. Thank you. And now we welcome our final panel and we will begin with Ms. Catherine Bertini, who has served as United Nations Undersecretary General for Management from 2003 to 2005. During her tenure at the United Nations, she supervised reform of the Worldwide Security Management System and improved procedures of management of information systems, facilities and human resources.

In addition, she also made significant strides in improving the management of the UN pension fund. Prior to this position, she served as the Executive Director of the UN World Food Program.

We also welcome former Senator Tim Wirth, who is the President of the United Nations Foundation and the Better World Fund. Senator Wirth has served as President of the UN Foundation since its inception in 1998. From 1993 to 1997, he served as Undersecretary of State for Global Affairs. In 1987, he was elected to serve in the United States Senate and from 1975 to 1987, he served in this body, representing Colorado's Second Congressional District. We welcome both of our witnesses and we ask that you summarize your statements and your full statements will be made a part of the record. We thank you so much for being here. Ms. Bertini, we will start with you. Thank you.

**STATEMENT OF MS. CATHERINE BERTINI, FORMER UNDER SECRETARY-GENERAL FOR MANAGEMENT, UNITED NATIONS, 2003-2005**

Ms. BERTINI. Thank you very much, Madam Chairman, and thank you for the invitation to be here with the Committee today. I have known Chairman Hyde for probably 25 years and I salute his leadership and appreciate the chance to talk about UN reform.

Before I do, though, I also want to pay tribute to Senator Wirth and the UN Foundation, whom I believe do a very important job in terms of providing constructive support to the United Nations, both in supporting the United Nations and also in working to improve the United Nations. I thank him and his colleagues for their support.

As you said, Madam Chair, I was an official in the United Nations. However, I am no longer the Undersecretary General for Management, so my comments today are my own and I will summarize my paper.

Reform is extremely important in the UN and has been for some time. It always should be important. There are reforms that the Secretary-General undertook in 1997, to which several Members have referred today and those reforms made some very significant changes in how the UN Secretariat and its agencies operate. Another major reform that does not get much attention is the fact that the UN has recently reformed its whole security mechanism for the security of staff. It has been very significant in an effort to provide a better security of staff, a unified management of the security of staff throughout the world and the Secretary-General's proposal was essentially almost all adopted by the General Assembly. And that was a significant reform from the end of last year.

In coming to speak with you today, I thought of what I might say and how I might write my paper. I thought that rather than giving

a litany of either what has been done or what should be done, that it might be better to compare my experiences, having been for 10 years the head of the World Food Program, about 25 percent of that time in the UN Secretariat. To try to analyze why things work in terms of reform, perhaps more effectively in the World Food Program, and perhaps easier than they do in the Secretariat.

I have come to three conclusions in terms of differences between the two organizations that impact on effectiveness. Voluntary versus assessed funding, their governance, and management accountability.

On funding, the World Food Program (WFP) and many other UN agencies like UNDP, UNICEF, UNHCR, UNFPA, are primarily funded by voluntary contributions from governments. The UN itself and other major UN agencies are primarily funded by assessed contributions. To me, the difference is the following. At WFP, all of the staff members understood how important it was to meet the objectives of the organization, to not only establish priorities, but to be judged on how well we met them. It was very much a results-based organization and it had to be. We had to be efficient, we had to be effective, or the donors could find other places for their money in a very competitive field where NGOs, bilateral government programs like USAID, and other UN agencies are big competitors.

So the organization had to be very, very strong in terms of meeting efficiency standards in order to continue to get support. I believe that it is not a coincidence that most people would consider those agencies to be the best run in the United Nations. I believe the voluntary nature of the contributions has a lot to do with it.

The Secretariat and other agencies are funded by assessments. The budgets are always going to be roughly the same. They may go up or down a little bit and there are long debates among member states over potential changes in the budget, but essentially the budgets are going to be roughly the same. This changes the way priorities are set, making sure that governments and entities have essentially kept what they have. It is protection of what they have and it changes the way one thinks. It even changes, I think, how staff operates.

There have been some references to the bureaucracy and the staff. I think the staff in the United Nations are very committed, very dedicated staff who work very hard. By the way, under very difficult circumstances, certainly those who are in the field and dangerous locations have difficult circumstances, but even those working in New York who have to read the newspaper everyday about the next bad story, are certainly disheartened.

My point is that the staff lose interest in being creative when they have assessed contributions and when the member states seldom make significant changes. I would also say that in the context of that kind of budgeting, the member states don't always and don't often have a high priority for actual performance. I believe if they did, for instance, an entity called the International Civil Service Commission would have been reformed a long time ago. This group, whose acronym is ICSC, was requested to be reviewed and potentially reformed. The request was made by the Secretary-General who appointed a commission to look into reform of this body. The group that looked into reform recommended a modest set of pro-

posals for reforming this commission, starting with the fact that members should be qualified to serve on the commission. The commission opposes these reforms and this has been languishing in the General Assembly for almost a year.

So what then is my proposal for the Committee's consideration? I certainly think that over time that the United Nations itself should consider having more agencies and entities be voluntarily funded. Years ago, there was a proposal made by the Nordic countries that all agencies should have a base of assessed funding and then the majority of their funding come from voluntary contributions. That would be another thing that perhaps could be looked at from an earlier reform proposal by those governments.

[The prepared statement of Ms. Bertini follows:]

PREPARED STATEMENT OF MS. CATHERINE BERTINI, FORMER UNDER SECRETARY-GENERAL FOR MANAGEMENT, UNITED NATIONS, 2003–2005

Chairman Hyde, Members: Thank you for inviting me to appear before the Committee. I have known the Chairman for over twenty five years, and have met with several other members. I also have appeared before the Committee several times in my previous capacity as Executive Director of the UN World Food Program, a position I held prior to serving as Under Secretary General for Management. WFP worked with the committee toward our mission of ending hunger, specifically in Afghanistan, North Korea, the Balkans, the Horn of Africa, and Latin America. Also, twice, I met with committee members, under Chairman Gilman, during their visits to Rome.

After almost twelve and a half years of service to the UN, I officially retired on April 30, 2005, so I appear before you today as a former UN official. (Please note, though, that I still chair the UN System Standing Committee on Nutrition.) The views I am about to express are my own.

REFORM IS POSSIBLE

REFORM is a perpetual buzzword at the United Nations, as it should be. REFORM has been a continuous refrain during my entire time as a senior UN official. Sometimes, reform measures are successful, sometimes not. It is never easy to move a large organization like the UN, any more than it is easy to reform an entity of the US government, but it is important to maintain an atmosphere of continual reform. And, it is important to believe that reform CAN occur, and that it can be very constructive.

One recent example achieved under Secretary General Kofi Annan's direction was reform of the UN's world wide security operation. Even before the tragic bombing of the UN office in Baghdad, he had commissioned a review of the UN security operations. The review was broader than that which was requested by the General Assembly, as he felt that there needed to be a review of all aspects of security of staff in the UN system.

As you may know, three months after the bombing, he asked me to serve as acting security coordinator, a position I held for sixteen months, in addition to my responsibilities as USG for management. Working with the Secretary General and the Deputy Secretary General and with UN Security professionals, we developed a comprehensive, unified security management system for the UN. Then, we spent many hours, days and nights and weekends, working with the governments who participate in the Fifth Committee of the General Assembly, as they considered the Secretary General's proposal. All but a few components of his proposal were approved. The new system brings together all the security entities of the Secretariat under one management, and clarifies the command and control functions for security of staff in every field location for all UN agencies and staff.

COMPARISONS

The United Nations is not just the Secretariat in New York, but it is made of many organizations—called specialized agencies, funds, and programmes. The headquarters of these organizations are placed around the world and their operations are, for the most part, world wide. Most are directed by governing bodies which are independent from the General Assembly. Therefore, the Secretary General exercises moral authority but has no legal authority over them.

The UN's scope is immense and mostly not controversial. For instance, it impacts on how international mail is delivered, on air and sea transportation, intellectual property, climate matters, environmental issues, food safety, and health. It influences labor law, protects refugees and children and mothers. It works in developing countries to end hunger, to mitigate the devastating impacts of natural and man made disasters.

There are several different models for how the agencies operate. Having directed one organization—WFP—for ten years, and having been at the UN secretariat for a quarter of that time, I thought it might be useful to look at the question: Why were we able to reform the World Food Program into what some called a model of UN reform, building many of its systems into state of the art operations, and why it is so difficult to do some of the same kinds of things at the UN Secretariat? I believe that there are several factors that make a difference.

### *1. Funding*

Most UN funds and programs are voluntarily funded. The Secretariat and many UN agencies are funded by assessments of Member States.

Voluntary funding creates an entirely different atmosphere at WFP than at the UN. At WFP, every staff member knows that we have to be as efficient, accountable, transparent, and results oriented as is possible. If we are not, donor governments can take their funding elsewhere in a very competitive world among UN agencies, NGOs, and bilateral governments. The Member States—donor and recipient governments alike—know this too, and therefore, work together, with the WFP secretariat, to approve governance procedures and operational policies that support these efficiency efforts. In addition, since WFP never knows, at any given time, exactly what the budget will be, and since WFP has to respond to emergencies within 24 hours, the governing body gives the secretariat flexibility in managing expenditures and creating the management organization of the program.

Assessed funding creates a different set of priorities among governments. There will be a certain level of budget available, even though member states quibble about marginal differences (I have seen delegates argue for days and days over one post). The bottom line is that the budgets will be at worst, static, so prime issues become protection of existing interests within the secretariat budget. Seldom is performance a key criteria.

If it were, for example, then the General Assembly would have, by now, reformed the International Civil Service Commission (ICSC). This is the commission that sets standards for all UN civil servants world wide. The Secretary General requested a review of ICSC operations, and as a result, a modest set of reform proposals were made. They include the recommendation that members elected by the GA to this body be QUALIFIED to hold the positions. The ICSC opposes all the recommendations and they have been stalled in the GA for almost a year.

Staff members in the Secretariat are, generally, as dedicated as those at voluntarily funded agencies, but it is alot more difficult for them to be as motivated to be creative, both because of funding and because of governance. Therefore, over time, as in any bureaucracy, initiatives are less common.

It is a common view of the system that UNDP, UNICEF, UNFPA, UNHCR, and WFP are probably the best run UN agencies. It is no coincidence that they are all voluntarily funded (except for a small portion of UNHCR's budget).

### *2. Governance*

WFP (and UNICEF, UNDP/UNFPA) have 36 members on their boards. The 191 member states, set the policy that there be 36 members on each board, and they also choose which member states serve on each board. For themselves, however, for committees to review the work of Secretariat entities, their formats are all made up of committees of the whole. In other words, to review the UN Secretariat budget (which is smaller than those of WFP and UNDP), 191 members can participate in committee, and again when the General Assembly meets to affirm the committees' work. This often creates a deadlock in the committees.

Imagine what the work of the House International Relations Committee would be like if all members of congress were members of the committee. With so many members, it becomes impossible to concentrate on broad policy issues, so member states work to preserve what is important to them and they end up micromanaging the operations of the secretariat. For instance, whether an existing position gets the upgrade proposed by the Secretary General usually becomes a high priority for the delegation of the country from which the incumbent staff member comes.

Governments are not immune to similar behavior in funds and programs. On one occasion, a government cut its funding by 20% to WFP, specifically to show their displeasure because I did not hire one of their citizens in a high level position. As this

was done during the time when the US was withholding some of its dues to the UN, the other government told me that they were following the lead of MY country on withholding funds when they didn't like UN actions. Eventually, we they returned to their earlier contribution level.

There is another governance difference between member states in NY and in other UN headquarters cities like Rome and Geneva. That is in the background of the people that governments assign to these postings. The people sent to Rome are from agricultural ministries or aid/development organizations. They are more technical and they are committed by their professions to a certain set of substantive issues.

Many of the people sent by governments to UN missions in NY are politicians. They are up and comers who have either held very important positions in their governments or who are on their way up. For instance, the current foreign ministers of the Russian Federation and the Palestinian Authority left their positions as Ambassadors to the UN in NY, to take up their current jobs.

The same practice is true for more junior diplomats as well. Rising stars often are posted for at least one diplomatic term to NY. One ambassador told me that his country sends its high performers to New York and its poor performers to Nairobi (Poor Kenya!).

This contributes to the political nature of the decision making. The UN deals with many "political" issues, of course, but when delegates make political points using issues like security of staff or personnel policies, that is regrettable but not unexpected as they are making their "marks" to impress their capitols.

### *3. Management Accountability*

Although the budget of WFP is larger than that of the Secretariat, most of the former is food and transport. Most of the latter is staff. The staff are located not only in NYC, but also in Geneva, Vienna, Nairobi, Santiago, Beirut, Bangkok, Addis Ababa, and in a variety of information centers.

On paper, there are over thirty people who report to the Secretary General. They are Under Secretaries General, heads of funds and programs, executive secretaries of regional commissions, and various other positions. It is not realistic, in any organization, for any one person to have that many reports.

Secretary General Annan made an important change in his 1997 reforms when he created a cabinet style management setting, holding weekly meetings with many of his direct reports. In addition, he organized executive committees—working groups—of senior people to regularly coordinate actions in specific areas.

As the UN has grown and the Member States have added responsibilities, more people have been added as direct reports to the Secretary General. They include Under Secretaries General for Africa, Least Developed Countries, Children in Armed Conflict, Security, Disarmament, the Inspector General, and even the Oil for Food Program.

There is no system for managing this far flung group of senior staff. As a result, the overburdened office of the Secretary General picks and chooses issues in which it gets involved. Delegation of responsibilities is then sometimes unclear. This system predates the current Secretary General, but as more functions are added to the UN mandate, more pressure is put on the process.

### PROPOSALS

So, what reform proposals would make sense to make some of the process more workable? Here are a few.

#### *Funding:*

As many UN organizational units as possible, including all operational and coordination bodies, should be fully voluntarily funded. This includes but is not limited to: OCHA, OHCHR, UNHCR, UNCTAD, UNEP, UNRWA, Habitat, and the regional economic commissions. All the secretariat departments should be reviewed with the idea of creating a base of funding through assessments and a portion of the funding from voluntary contributions. Having more entities funded voluntarily will create an incentive structure for performance and would streamline the regular budget.

#### *Governance:*

Committees of the General Assembly should be reestablished using the same principle as that which governs parliaments and congress. Each committee should have a sub-set of member states (I recommend 36) as members, each elected on a rotating basis for three year terms.

The inter-governmental machinery should also be reviewed. Between the GA and ECOSOC there are some 300 subsidiary bodies. They all ask for multiple studies



and reports that help keep the bureaucracy very busy. Repetition should be eliminated (ie Human Rights discussed at the Commission, ECOSOC, the Third Committee of the GA, and the General Assembly).

Mandates of all UN agencies of all types should be reviewed to determine current relevance, effectiveness, and to avoid duplications. A major review and consultation with independent organizational experts could conduct such a review. (This would need support from all independent agency governing bodies.)

DPKO, the UN's Peacekeeping operation, should have a formal governance structure responsible for its oversight and direction. The operational roles of the Department of Political Affairs should also be under this new structure, or delegated to UNDP. DPKO is a huge operational department. It's current budget is far larger than that of the Secretariat, yet it operates institutionally like a staff department. The Security Council, which sets its mandates, is not, nor should it be, an oversight body.

#### *Management Accountability:*

Within the Secretariat, clear reporting relationships and lines of authority must be created. It is not possible for all Under Secretary General level officials to report to the Secretary General. All senior officials should be held accountable for the annual performance of their organizations, which should be measured against goals.

The responsibilities of positions at the USG and ASG levels should be reviewed by outside experts to insure that the levels are commensurate with the responsibilities. Where appropriate, levels should be downgraded once current incumbents depart.

Mandatory intensive training programs on management, ethics, and UN regulations/procedures should be organized for all senior officials.

All UN staff serving throughout the world should receive the same salaries and allowances as all others serving in similar conditions. Currently, though the salaries are standard, the other allowances vary by organization, causing parity issues, especially in field assignments.

All UN staff at the D-1 level and above, including temporary and dollar a year contractors, should complete robust financial disclosure forms. Approval of such forms, that would help guard against conflicts of interest, should be a condition of employment.

The role of EVALUATION within the UN system should be reviewed with the objective of insuring effectiveness and avoiding duplication. An external entity should review the evaluation roles of the OIOS, the Joint Inspection Unit, the External Board of Auditors, and other appropriate functions.

#### *Other Recommendations:*

The International Civil Service Commission should be reengineered. At a minimum, the reform proposals currently on the table should be adopted.

Conference Services should have goals for gradual outsourcing of much of its work, including having translation work done from countries of origin of the language and from homes of staff or consultants.

Real mobility should be put in place, with staff members transferring to and from NY, not just on temporary mission assignments. Promotions should not be options for professional staff who are not mobile.

The Secretary General should have funding available to offer buyouts to those staff who are not mobile and to staff whose departments are downsized.

#### CONCLUSION

Twelve plus years at the UN has made me understand, from an intimate professional perspective, the critical importance of the United Nations in the world today. I stand ready to work in a constructive manner wherever appropriate, to help strengthen its effectiveness and operational efficiency.

I trust that the committee will make forceful proposals that would, if they were to be adopted by the UN, make a significant contribution to reform. I hope that those proposals are made as guidance to the US Department of State, recognizing the challenges of achieving certain measures, and with flexibility available to US representatives.

This year is a critical year for the UN, with a Heads of State Summit planned for September and scheduled to make decisions on the next major UN reforms. Preparations for this event has been on-going, with member states well into the process of working out their collective views on a whole variety of issues. American leadership is crucial to this process.

Thank you for inviting me to appear before you today. I stand ready to answer your questions, and to work with you in the future.

Ms. ROS-LEHTINEN. Thank you so much and part of our legislation includes the move from assessed to voluntary funding, because we have more fiscal accountability. We know that that will be a difficult part of our legislation to implement, but a very important one. Thank you, Ms. Bertini.

Senator Wirth, it is a pleasure to have you with us.

**STATEMENT OF THE HONORABLE TIMOTHY E. WIRTH,  
PRESIDENT, UN FOUNDATION**

Mr. WIRTH. Thank you very much, Madam Chair. Thank you very much. I am delighted to be here and particularly to share the dais with Catherine Bertini. We will miss her a great deal at the United Nations. She did a wonderful job at the World Food Program and in probably the most difficult job, being the Undersecretary for Management. I hope you look very carefully at her recommendations. I had the great pleasure of reading over those before this hearing and she, as usual, makes a great deal of sense.

It is a pleasure to be back in this building where I spent 12 very happy years and see a lot of old friends, particularly Congressman Lantos. Thank you for your continuing leadership.

The pressure and leadership from the Committee on the part of the U.S. position in promoting reform in the UN is absolutely essential. You have to realize that to the UN, as has been said before, the U.S. is an indispensable partner. We are its parent, we are its host, we are its greatest beneficiary and I think we have to keep that in mind. Americans know that. We do a great deal of public opinion work, Madam Chair, on behalf of the UN. It is clear that over the near 60-year history of the United Nations, strong support continues within the American public. Well over 70 percent of the public over this time support the U.S. and support the U.S. strongly, support the UN and support it strongly, want to have a stronger, not a weaker, UN. The public wants the UN to help share the burden relative to a whole set of programs that the United States public wants. Refugees, the food program, human rights, climate change issues, the empowerment of women. This is a baby that we nurtured, and it is absolutely essential that we help to bring it up to realize its promise.

Five comments on where we are today. This is a unique moment for reform. I have never seen, in the time that I have been in and out of the UN, so many people lined up for reform. This is a new time. People say, "Well, why is this different from what has happened before?" Well, it is different. The Secretariat is behind it. Clearly the leadership of the UN is behind it. Its constituent elements are behind it. You feel that the Administration wants a stronger UN, not a weakened UN. I think everybody wants this to happen. So I think that is the answer over and over and over again to people who say, "Why is it going to happen now?" Well, the climate is a very different one.

Second, as has been noted this morning, U.S. leadership is absolutely critical. If the U.S. leads, it happens. If the UN demurs, it does not happen. That is the history of the UN in a nutshell. We are, again, the most important partner here and we are also the greatest beneficiary.

Third, the U.S. should be an example for reform. If we are going to lecture the UN, and we are going to pressure the UN, and we are going to talk to the UN about reform, let us make sure that we are being very careful about having our own backyard sorted out. For example, we ought to get rid of the effects of the Stockman amendment. If you remember, nearly 20 years ago for a budgetary slight of hand, we in the United States Congress allowed the Administration to defer its payments every year for a year. So we are constantly behind. The rest of the world has to pick up our debt. We run into debt at the UN every year. We should clean that up.

We should help to fund needed changes. Lots of discussion about OIOS. Change is very important, but it is going to cost money to do it. There is discussion about the need to change the personnel system and do buyouts, give the Secretary-General the authority to hire and the authority to fire. That initially costs money. Any modern organization knows that a buyout costs money.

Peacekeeping. We should do a much better job of keeping the Congress and the Administration closely tied together on peacekeeping decisions. The Administration will make decisions at the UN on peacekeeping and, unfortunately, Members of Congress, Members of the Appropriations Committee are often here saying, "Wait a minute, how about us? We have to fund this somewhere along the line." It is absolutely essential that there be a much tighter set of facts that go back and forth between the Congress and the State Department in particular.

Finally, on the withholding of funds, there has been much discussion about this. I think my own view is that the history of this is that it causes very significant problems. Congressman Smith talked about the time when OIOS was created, a very good time. But I would also say that occurred at a time when the United States Government's policy was to try to limit the amount of money that we were paying for peacekeeping from 30 percent down to 27 percent and of the regular dues, from, I think, 25 down to 22. That was the number one issue that we had in the U.S. Government.

Because of the withholding of funds, the United States Government had an enormous backlog, more than \$1 billion in the regular budget, close to or well over \$1 billion for peacekeeping. We were the largest scofflaw at the UN because of this policy of withholding funds and that made it very difficult for us to accomplish the reforms that were really central to what we wanted to do.

My own thought, Mr. Chairman, is that we probably get a lot more done when Madeleine Albright goes to North Carolina or when Mark Malloch Brown comes here today or, if it happens and you all would want to do it, you take your Committee to the UN. You know, it is that kind of exchange, that kind of understanding, that kind of bending back and forth that probably is going to get a great deal more done than a withholding of funds.

Fourth, it is essential that reforms be targeted. People have to understand the General Assembly is one package. The Secretary of Security Council is another, within the Secretariat is a third. You know, a single blunt instrument is not going to get to all of those places.

And finally, that the reform effort be, as I think everybody agrees, robust and comprehensive. In my testimony, and I will

close with this, I support, as I think most people do, the work of the High-Level Panel and the Secretary-General's report, the Human Rights Commission, the dramatic change for the High Commissioner, which has to be done. Full inclusion of Israel, that has begun. This Secretary-General has been very good on this issue, really moving the ball.

We just had, as Congressman Lantos knows, last week a very important meeting of the AJC at the UN. The first time that kind of leadership from the Jewish communities from around the world had been at the UN. Very important to do.

The Democracy Fund is important, the Peace Building Commission is important. Catherine Bertini has a lot of very good ideas on personnel, OIOS, empowering the Deputy Secretary-General and so on. You should pay a lot of attention to her ideas.

DPI is a continuing problem. It is not dissimilar, Mr. Chairman, of the problem of public diplomacy that we have right here in the United States. Public diplomacy at our State Department is a mess. That is what Karen Hughes is being asked to come in and sort out. It is not dissimilar from the DPI problem. Both of them demand very significant attention. The State Department and the UN are political institutions that demand very careful constituency building. The UN does a terrible job of it, so does our State Department. We really have to reform both of those.

Final suggestions. The U.S. Government should be sure to promote its very best people in such a way that they work at the UN in the State Department, that they work in human rights, that they work on refugee issues, that they work on women's issues. Right now, as Congressman Lantos has been working on this issue for a long time, right now if you are in the State Department and a young foreign service officer, you get promoted by being in a regional bureau. You get promoted by working on political affairs. Real men and real women do not do refugees or do science or do human rights and that has to change if, in fact, we are going to get the best people into these very important non-traditional but new, modern, 21st century assignments.

Finally, going along with that, I think you all can encourage the U.S. Government to fund the junior professional officers at the UN. There is an opportunity to bring in a wave of bright, young Americans into the UN and that cannot be done within the limitations of personnel. This is a way of bringing in our own management intern program in the government here, and for a very small amount of money, we can make a great deal of difference in the future.

Again, thanks to this Committee and a lot of people here know a lot about this set of issues and your support, your continuing advocacy, is very important and we look forward to helping in any way we can to accomplish the goals that you have laid out and that the Secretary-General has laid out as well. Thank you very much, Mr. Chairman, Congressman Lantos, Congressman Delahunt. Pleasure to be here. Thank you.

[The prepared statement of Mr. Wirth follows:]

PREPARED STATEMENT OF THE HONORABLE TIMOTHY E. WIRTH, PRESIDENT, UN  
FOUNDATION

Thank you Mr. Chairman, Ranking Member Lantos and Members of the Committee for the opportunity to be here today to discuss the important topic of how

we can strengthen and modernize the UN to better meet the challenges of the 21st century.

The UN Foundation, where I serve as President, is a function of Ted Turner's philanthropy. It came into being in 1997 at a time of significant crisis in the U.S.-UN relationship. As you will remember, at that time the U.S. had more than \$1 billion in arrears to the UN and we were substantially behind on our peacekeeping obligations as well. Working over the next two-and-a-half years with Senators Helms and Biden, and then on the Helms-Biden legislation with Ambassador Holbrooke and Ambassador Negroponte, and with significant personal funds (31 million dollars) from Mr. Turner which covered the transition costs at the UN, Helms-Biden became a reality. Mr. Chairman, I also want to recognize the strong leadership and commitment of this committee, which was critical to getting the Helms-Biden payments released by Congress.

The UN Foundation's mission reflects the breadth and depth of the responsibilities the world has asked the UN to undertake. We have a budget of about \$120 million a year. Fifty million comes from Mr. Turner; the rest comes from a wide variety of public and private partners for whom we are a useful portal and catalyst for engaging people to work with the UN and UN system. For example, we have brought in a number of private sector partners ranging from Vodafone to The Times of India, Nike, and Coca-Cola.

We focus substantively on children's health, with the World Health Organization and UNICEF. Major partners include Rotary on polio and the Red Cross and the Center for Disease Control on measles. We work on HIV/AIDS and reproductive health issues with UNAIDS and UNFPA, focused in particular on the ability of people to protect themselves and on women's empowerment. We work on a range of environmental issues with UNDP, UNEP and UNESCO, and with a special focus on energy, security, and climate issues through our Energy Future Coalition. We also have a variety of initiatives on human rights and governance; for example we have worked to strengthen the Office of the High Commissioner for Human Rights, and recently helped the American Jewish Committee bring world leaders from the Jewish community together with UN leadership at the UN's headquarters in New York.

I cite the scope of our work because it provides a picture of the diversity of UN activities which are broadly supported by the population of the United States. With a team led by Bill McInturff of Public Opinion Strategies, we do extensive research on public opinion. We know, for example, that over the last 50 years there has been steady support of the UN at about the 70 percent level among the American public. And it's no wonder why when you consider just some of the recent ways the UN has helped advance U.S. interests:

- The UN helped legitimize and provide the technical support necessary to have democratic elections in Iraq in January;
- The UN coordinated the massive international response to the Southeast Asia tsunami, while its agencies on the ground prevented the outbreak of disease that would have killed more than the tsunami itself, and the UN is coordinating the longer-term work necessary to help the region recover economically;
- The UN Security Council, with U.S. and French leadership, put pressure on the Syrian government to force its withdrawal from Lebanon;
- The UN was instrumental in containing diseases like SARS and avian flu;
- UN peacekeeping missions have brought stability that has allowed some nations in the most brutal conflicts, such as Sierra Leone and East Timor, to rebuild and hold democratic elections—and paved the way for peacekeepers to leave these two places by the end of this year.

These activities support international and U.S. interests, and we know from the research that Americans believe the UN is an institution that helps to share the burden and perform important work that might not be practical or appropriate for the U.S. to take on alone.

Yet we also know that from the time of the Iraq debate through the emergence of the Oil-for-Food issue, public support for the UN has dropped, and we face a challenge point in the U.S.-UN relationship. Americans do not always know or understand all the ways the UN works with the U.S. They believe the UN needs to be much more effective and are justifiably concerned about recent allegations of corruption in the UN ranks.

This history of public support for the UN, and current concerns about its effectiveness, presents a good environment for UN reform. The American public is ready for changes, ready for a stronger UN, and is supportive of Administrative and Congressional efforts to help strengthen the UN. Before I comment on actual reforms, I

want to make five points that will be essential to a constructive reform process that achieves meaningful and lasting results:

1) *We are at a unique moment to reform the UN.* Recent events, from the Iraq debate to the recent stories surrounding the Oil-for-Food Program, have exposed weaknesses in the ways Member States work together to address global challenges, and in the way the UN manages and implements its work. Various experts are focusing on these issues, including the U.S. Institute of Peace (USIP) Task Force on the UN, and are putting forward some creative ideas that should be seriously considered. The Secretary-General also put forward some bold recommendations in his recent report, "In Larger Freedom." The UN is committed to change in a way I have not witnessed during my seven years at the UN Foundation and my previous years in the House and Senate and as Undersecretary of State for Global Affairs. In the past, the spotlight of the U.S. Congress has been important to applying the pressure needed to get reforms done, and I know this committee has taken on the issue of UN reform in a serious way. I hope the Congress will play a constructive role this year in encouraging U.S. leadership in the reform process underway at the UN, which brings me to my next point.

2) *U.S. leadership is critical.* The U.S. Government must address reform comprehensively and aggressively. It must raise the priority issues, such as the overhaul of the Human Rights Commission, the creation of the Peacebuilding Commission, and management reform through all diplomatic means available. The U.S. Mission to the UN must provide Washington with regular updates on the discussion in New York. The UN's Millennium Summit in September provides an historic opportunity for world leaders to come together to address these issues; we all should urge the President to attend and to reinforce the U.S. commitment to the UN and to UN reform. Reform is not an event; it is a long process that requires concerted U.S. leadership and diplomacy. When the U.S. pays attention, does its homework and builds the broader coalitions behind the changes it wants, the evidence is overwhelming that the UN responds.

3) *The United States government itself can and should be an example of reform.*

- We should pay our dues to the UN in full and on time. The Committee will remember that under the conditions of the so-called "Stockman Amendment," passed nearly 20 years ago, we are always a year late in paying our share of the bills. I don't have to tell you that this tardiness is not only costly to everyone else in the UN, who have to cover the annual shortfall, but late payment does not reinforce our own demands for open, dependable and modern accounting at the UN.
- We also should beware of arguments that the threat of withholding of promised money provides leadership and leverage for change. Almost every one of the reforms that must be made at the UN requires significant diplomatic negotiation, which will be inhibited or even discouraged by a strategy of withholding funds. Change and reform require firm, consistent policy and strong, persistent diplomacy—threatening to withhold funds is an idea that sounds good if you say it fast enough, but in fact is most often cost-ineffective and counterproductive. The climate for reform at the UN is now so positive that the U.S. should be joining these forces and leading reform, not threatening and belittling the efforts. Leadership and vision is now the most needed ingredient for the UN's reform process.
- Further, it is important to remember that some of the recommended reforms will cost money up front, while they save money over time. For example, the Peacebuilding Commission, the Democracy Fund, and the urgently needed personnel reforms all require venture reform capital up front, and all will result in needed progressive change and cost-saving over time.
- A final point on funding: the Congress should insist on much closer coordination with the Administration on peacekeeping commitments. I know from personal experience that the Administration often instructs its Permanent Representative at the UN to vote for Security Council peacekeeping initiatives, of which the U.S. is then obligated to pay 27% of the costs. But the Congress often doesn't have timely information and consultation about these commitments, and as a result almost every year the Congress faces a major shortfall in peacekeeping obligations. This in turn complicates our ability to persuade other nations to join in UN reform efforts, since we ourselves are almost always well behind in paying bills for the very peacekeeping operations that we often initiated and must agree to through our vote on the Security Council. The Administration must work on getting quicker and better information about the decisions made in New York in the Security Council to those on

Capitol Hill who are responsible for authorizing and appropriating the funding.

4) *Reforms must be targeted to the right places.* For example, some management reforms can be done by carefully working with the Secretary-General and the Secretariat. Others, like the urgently needed transformation of the Human Rights Commission and the strengthening of the Economic and Social Council, will have to go through the General Assembly. Many of the hardest issues, like the expansion of the Security Council, will be decided by Member States, not the Secretary-General and his leadership team. If we in the U.S. are serious about UN reform, we have to start framing the ideas and proposals, and we need to start working the process, at all levels and in all regions of the world. We need to build the coalitions necessary for success; again, when we have done this in the past we have succeeded. When we are faint in our resolve or timid in our leadership, change is much less likely to come about.

5) *Finally, the reform package must be robust and comprehensive.* This is reflected by the work of the USIP Task Force and its five working groups, and in the recent report of the Secretary-General. We need a comprehensive package of reforms that takes into account the scope of the UN's work and the interests of its many Member States. This includes management reforms, but also requires the strengthening of the UN's capacity in human rights and in areas like peacekeeping and peacebuilding, and a new understanding of the linkages between development and security.

I know this Committee has looked at the proposals of the High-Level Panel and those in the Secretary-General's report, and I will comment on a few of the more high-profile issues:

- It is critical to address the failures of the UN Human Rights Commission, and to replace it with a Human Rights Council with performance criteria for membership.
- It is essential that the High Commissioner for Human Rights be strengthened. That office was created less than 15 years ago, with a lot of resistance. It is still a very threadbare office carried by the strength of individuals like its current leader, Louise Arbour, but with very little institutional capacity to help spur needed change around the world.
- Reform must also embrace the full inclusion of Israel as a normal Member State. Israel, as the only Member State that is not a member of one of the regional groups, has no chance of being elected to serve on main organs such as the Security Council or the Economic and Social Council, and we must work to rectify this anomaly.
- The Democracy Fund, proposed by President Bush and endorsed by the Secretary-General, is also an important vehicle for enhancing and supporting the spread of democracy around the world. The creation of a Democracy Caucus will also strengthen the UN and help to strengthen the U.S.' hand in working through the UN system to advance democratic principles.
- The Peacebuilding Commission is also a good idea. Just as the U.S. government is currently reviewing its own capacity to respond to rebuilding war-torn societies through the creation of an office at the Department of State to coordinate this work, so should the UN be seeking a means to improve both its capacity and expert knowledge for specific countries. In peacekeeping, it is important to examine which parts of the Brahimi report recommendations remain to be completed. That was a very good piece of work with some outstanding recommendations still to be fulfilled. Also, the new report by former peacekeeper Prince Zeid of Jordan must be seriously considered by all Member States to address the devastating revelations about the conduct of certain UN peacekeepers in Congo and elsewhere.

Looking at management reform, I know Congress has focused much attention on transparency, oversight and accountability at the UN, and Mark Malloch Brown provided us today with a good overview of what is being done in those areas. There is clearly a need for a stronger oversight function. The UN Office of Internal Oversight Services (OIOS) is a relatively new office created with U.S. leadership in 1994. Now is the time to conduct a review of its performance, perhaps using someone like former GAO Director Chuck Bowsher or his European colleagues. The final report of the Independent Inquiry Committee on the Oil-for-Food Program comes out later this summer and will include more recommendations on how the UN can be strengthened, and the Secretary-General has stated his commitment to implementing each of these recommendations.

In the area of personnel, the Secretariat and the Secretary-General need authority to move people. They have to have the authority to hire faster and they have to have the capability to fire faster. They need a buy-out program, which might take the form of a targeted program to transition out those whose skills are not as well suited for the UN we need today. The Secretary-General should also be given a means to hire young professionals and create a cadre of talented young workers who can lead the UN in the 21st century. The UN Foundation has supported the convening of such a group of young UN professionals, but this is only a first step in what is clearly a growing need at the UN.

It is also important to empower the Deputy Secretary-General. That office needs more clearly defined authority over the strategic planning of UN operations. It is also terribly important to revamp the Department of Public Information. Every political institution (and the UN is one of those) needs a constituency, and needs to be able to explain what it's doing to a constituency. This is the UN's equivalent of public diplomacy and it represents the challenge facing Karen Hughes at the State Department. This function demands very careful attention as the UN attempts to explain its complicated missions to people around the world, where the high demand for information is met with difficult challenges in getting information to the intended audiences.

Finally, I might suggest that the U.S. needs to rethink the way it works through the UN. We should pay increased attention—as this Committee has done—to the quality of the Foreign Service officers going to assignments in international organizations and the UN in particular, and how they are rewarded within our current State Department reward structure. As a general proposition, if you are a talented Foreign Service officer, you get rewarded if you are in one of the Regional Bureaus. However, you typically do not get rewarded if you work in international organizations or in refugees, human rights, environment, or narcotics. Yet it is this kind of assignment and this kind of work that must demand the best people. The promotional criteria in our Foreign Service system have to change if we are going to draw our best people into the UN and its very important work.

And also, you will remember the Goldwater-Nichols legislation and how important that was in changing the interdisciplinary nature of senior officers in the military. A similar thing would be a very important addition to the way we run our State Department.

The UN works far better when the U.S. pays attention and I think we all believe that an effective UN is in our interest. Thank you for the time and the attention you are focusing on this important topic. I look forward to answering your questions and to working with you as the reform process continues.

Mr. CHABOT [presiding]. Thank you very much, Senator. We will now go to the questioning and I will defer to our esteemed Ranking Member to initiate the questioning, Mr. Lantos, for 5 minutes.

Mr. LANTOS. Thank you very much, Mr. Chairman. Thank you for your gracious gesture. First, let me commend Catherine Bertini for an outstanding record of public service. We appreciated what you did in your various important positions and we are delighted to have you here.

And let me just say that in Senator Tim Wirth, we have one of the great public servants of the United States and I, for one, am profoundly sorry he is not part of our organization called the Congress of the United States. You can come back to either body, Tim, and you will add enormously to the quality of the institution.

I started out several hours ago when we began this hearing by suggesting that the United Nations is a derivative reality, that it is not an entity which is independent of the world it reflects. Since the world is profoundly flawed, it is flawed in such a many-splendored way. It is very important for all of us to realize that with the most brilliant proposals, the United Nations, once we get through with all of the reforms under the most ideal circumstances, will still be a very flawed organization. It will be a very flawed but desperately needed organization and I think it is extremely important that not only Members of our Committee but all Members of



the House and the Senate have realistic expectations as to what an improved and reformed United Nations will look like. It will not look like a Swiss watch. It will look, hopefully, slightly less dysfunctional than it is at the moment.

What I would like to ask Senator Wirth first, if I may, because you are one of those unique people who understands the details but who is also a strategic thinker, knowing the UN, knowing the realities of the international scene, knowing the Congress, when we get through with all of our deliberations and debates here, then we take it to the UN. What would be your prediction now of the outcome of Kofi Annan's various recommendations, beginning with the Security Council? What will we end up with?

Mr. WIRTH. Well, you are asking for us to present some kind of crystal ball and I am not sure we can do that with any accuracy.

Mr. LANTOS. Yes.

Mr. WIRTH. But one, I think that, as I said before, there is more momentum now for reform than I have ever seen.

Mr. LANTOS. There is no question about that.

Mr. WIRTH. I think that there is going to be a lot of change at the UN. I think that it is going to be extremely difficult with some of the constituency members of the UN for whom, as Catherine pointed out, so many of the slots, many of the programs or so on are looked at as their patrimony now. They deserve that and how do you break into that? There is no substitute for leadership, no substitute for diplomacy and to break into that.

On the Security Council, I think that the U.S. is starting now to focus on what we want on Security Council reform is going to be the greatest determinant. And I do not think we have yet made clear what we do want to have happen. We pointed out that we would like to have Japan join. I was interested that Secretary Rice's recent statements on Germany were leaked, and was that accurate or not? How serious are we going to be about engaging, say, the two giants that are not involved, India and Brazil? And then, what role will they have overall? My guess is that the U.S. would not give up any kind of veto power to others. It will maintain jealously that veto power and not let others have it. That is the lever that we have for really advancing our national interest.

What will happen on the Human Rights Commission? I hope that the momentum is maintained. As I was talking to Congressman Smith, I think that we have to be careful what we ask for here as well, that what are the criteria for the Human Rights Commission going to be? I mean, I can think of some mischievous criteria, for example, that—

Mr. LANTOS. Would exclude us?

Mr. WIRTH. Exactly, Congressman. You and I could figure out like any—you know, the smartest reformers up here can figure out how to bulluck up reform of the Congress. The smartest people at the UN are going to figure out how to bullock reform at the UN. So we are going to have to be very careful about this and I think Mark Lagon earlier was suggesting that. That is a big one.

What happens on the Democracy Caucus and what happens in terms of the Democracy Fund, I think that will happen. I think those will occur. My guess is we will get some kind of a peace building commission, absolutely essential. Will that be merged with

a reform of ECOSOT. Well, we have broken our picks on the reform of ECOSOT for 20 years and will probably, you know, have a problem doing that again.

Anyway, those are some thoughts that I have. Again, it is so important that the United States Government and this Administration decide what it wants to do and lead. This takes extraordinary and patient diplomacy to get from here to there. You know what those endless discussions at the UN are about. You have to go and listen to all of that membership as if they are the most important people in the world. You have to sit and talk to them, you have to put your arm around them, you have to do everything you possibly can. That is the way you get something done, not dissimilar from here. You get a lot of things done by very patient one step in front of the other, bringing your colleagues together and 435 Members here. The U.S. has to lead. That is the most important ingredient.

Mr. CHABOT. The gentleman's time has expired. I now yield myself 5 minutes for asking questions. Ms. Bertini, in December 2003, the U.S. was instrumental in getting the General Assembly to give the Secretary-General authority to redeploy 50 posts. Why did the Secretary-General not act on that authority and what can you tell us about that?

Ms. BERTINI. Well, I am no longer there, but my prediction is that he will act on it. I will tell you that the proposal, when it was made, was discussed with us in the Secretariat. We had hoped for a broader, in fact, a broader capacity to be able to move posts.

Having the 50 posts became for people within the bureaucracy quite problematic to find a way to do it without disrupting too many programs. Ultimately, we did suggest to the Office of the Secretary-General a list of 80 some positions from which we were suggesting the 50 posts could come. Especially when these other priorities that the Secretary-General is talking about for Ethics Office, for Peace Building Commission, and for many of the other proposals that he has made, those posts certainly could be very useful.

So I would expect that there would be some action, but I cannot guarantee.

Mr. CHABOT. Thank you. I would ask either witness to respond to this question. There have been a number of proposals, a number of reforms that have been discussed during the course of this hearing. What do you see as the impediments to the various reforms that have been discussed today and what could be done about those? I invite either witness to testify.

Ms. BERTINI. Well, first, Mr. Chairman, as the Senator said, the major obstacles will be to work with other governments, which is what the UN is about. But the proposals that require agreement of the General Assembly need a lot of massaging, need a lot of discussion, need a lot of sometimes compromise and, most importantly, leadership, American leadership in New York. Those are, I think, the biggest challenges. And they can be, I think, best done with a concerted policy of the U.S. Government and some flexibility to be able to work that through toward the objectives that the U.S. has, but in consultation and agreement with the others. Those are far more difficult than the ones that could be done under the management and authority of the Secretary-General.

Mr. CHABOT. Thank you. I do not know if you want to add anything, Senator Wirth?

Mr. WIRTH. No, I think Catherine is exactly right. I think as you look at reform, you have to understand that you are playing in three areas or you are focused on three areas. One is the Secretariat, where the Secretary-General can make those changes himself. Mark was addressing himself to those, Catherine has a lot of the ideas about that.

The second is the Security Council. They started to get into very, very sensitive major power issues, balanced back and forth among the Perm 5. You have to bring all five of them into agreement and that is very hard to do. The Chinese have different views of many of these things, as we know, as do the Russians and the French.

Now, any changes that touch on the Security Council have to get those five involved. That is very hard. And then you start to deal with the General Assembly and you are dealing, like walking out here on the Floor, you can walk out here on the Floor with the best idea in the world and you are going to take a lot of time before people decide that maybe that is a good idea or maybe it is not a good idea, with people coming from all over the world like they do from 435 congressional districts, saying, "Hey, that is not a very good idea from my perspective." It may look good in California but it looks terrible in Massachusetts.

That is the problem you have with the General Assembly. So again, it is leadership and a very clear agenda.

Ms. BERTINI. Mr. Chairman, might I add—

Mr. CHABOT. Yes, absolutely.

Ms. BERTINI [continuing]. Just one example, is that the committees of the General Assembly are all committees of the whole. And it makes for very difficult agreement, a process to make agreements, because it ends up with so many people involved that there is a lot of micromanagement.

It would be as if all the Members of Congress were Members of the House International Relations Committee, could come and go as they pleased, in and out with different ideas all the time. So one thing that I think should be looked at is the prospect of the General Assembly reforming itself and making the committees into small committees, just as Congress has or Parliaments have throughout the world.

Mr. CHABOT. Thank you. Before my time runs out let me just ask finally what UN organizational or structural reform proposals do you think have the most merit? Would you, for example, support the elimination or restructuring of any particular UN offices, committees or organizations?

Ms. BERTINI. I think if we move to voluntary funding of a lot of organizations, that essentially the governments will speak themselves about the usefulness of those organizations if that is how they are funded. But I also think that there should be a review, as the Secretary-General has proposed, of all of the UN agencies, of their mandates, of their functions, and whether or not they are producing what it is that they have set out to do.

Mr. CHABOT. Senator Wirth, anything?

Mr. WIRTH. I would say that there is obviously not complete agreement about the idea of voluntary funding. There will be a lot

of relatively unpopular programs that will have a much more difficult time, that are very important, but will governments support them? Everybody, I think, is going to support the World Food Program and voluntary funding. Everybody will support the Refugee Program and voluntary funding. But will everybody support, say, you know, the Office of Oversight Services? Will everybody want to support the office that does all of the translation and so on?

I think we have to be very careful in thinking about voluntary funding. There will be some that will be easy to fund, some that are not easy to fund. I think more likely is to make sure that we in the United States start out with a commitment to full funding of what we have agreed to do. You know, that is the first and most important thing that we ought to be doing in terms of thinking about funding reforms. Let us take a look at our own backyard first.

Mr. CHABOT. Thank you, my time has expired. The gentleman from Massachusetts, Mr. Delahunt, is recognized for 5 minutes.

Mr. DELAHUNT. Thank you and let me just note that listening to Mr. Lantos, I think he sums it up very eloquently when he talks about how the United Nations is a reflection of the imperfect member states. I see that as the core of the problem and I agree with you, Senator. I think this is a propitious moment in terms of the ability to make significant changes. But I think we all have to recognize that this will never be a perfect institution, much like the U.S. Congress or at least the U.S. Senate. I think we have to have reasonable expectations. And I think when we weigh the benefits and counter that with some of the frustrations that are shared by everybody, it is clear that the United Nations plays a significant role in terms of a place to go to ensure the potentials of stability and the potential for some good things happening in terms of planet Mother Earth, if you will.

I have been thinking myself. I serve as Ranking Member on a Subcommittee with Dana Rohrabacher and we have been very much involved in the issue surrounding the UN. I would like to take you up on the idea of going to New York, because it is one that I have been entertaining. We have been to New York several times now where we had a chance, and I want to acknowledge, congratulate you on your retirement and acknowledge the great work that you have done.

Ms. BERTINI. Thank you.

Mr. DELAHUNT. But maybe utilizing you, Senator, and the UN Association as an interlocutor, if you will, for lack of a better word, to arrange a meeting with other member states, representatives from other member states, to have a discussion about these issues. I think part of the problem is that other nations, even democracies that are parliamentary democracies, really do not appreciate the role of the United States Congress in our democratic system and the concerns that Members have. I think that dialogue would be very, very important.

So if you think it is a good idea, you can contact me or Congressman Lantos or Chairman Hyde or Chairman Rohrabacher.

Mr. WIRTH. Let me just say for the record, we would be delighted to help to facilitate that in any way. I think that just looking back at the last 5 years when I mentioned Secretary Albright going to

North Carolina and holding hands with Jesse Helms, I mean, that was a great picture. But also, you know, it was a great respect going back and forth between the two. I think that Senator Helms then had a hearing of the Senate Foreign Relations Committee at the UN. It was a great idea and everybody sort of seized this back and forth. And we would be happy to help to facilitate that with the leadership of the Committee or Subcommittee, and let us be in touch about that. I think it is a very good idea.

Mr. DELAHUNT. You made a reference to public diplomacy. I am very concerned about the magnitude of anti-Americanism that exists today in this world and it is not restricted to any particular geographic area. One only has to look at the different polling data. Zogby did a poll in Latin America of the economic elite. You know, not the Chevistas or Fidel Castro, the Shining Path, or anyone that would, that might be more expressive in terms of their view of America. But among the economic elite, 87 percent had a negative opinion of this White House. That, I suggest, is very dangerous, but part of it—and you talk about cleaning up ourselves—is to acknowledge our own role. It was not until today that I had at least an acknowledgement from a representative of this Administration that we have to look at ourselves. I think by saying we have some issues that we have to look at in terms of our relationships with the UN. I think that sends a very positive message out there and creates, if you will, some positive reaction among other nations. Any comment?

Mr. WIRTH. Humility is one of diplomacy's greatest assets, and we can show a great deal of that from time to time.

Just a footnote here. I had the privilege of representing the United States Government on a number of very significant international negotiations in the early 1990s and it was thrilling, Congressman, to walk into a difficult negotiation and it would sort of stop and people would say, "Well, what does the United States Government want to do? What is your position?"

We had a moral force and we had a technical capability and we had a diplomatic capacity that was absolutely unrivaled. That can be recovered once again with Karen Hughes coming into the State Department. This is a very positive sign of the sense of the size of our problem. You know, you bring in one of your key people to do it. She is sort of like, remember Edward R. Murrow was the head of USIA in the early days. He was a major figure. I think Karen Hughes is a major figure. She will be in at the policy and can really help to work on that.

Mr. DELAHUNT. I agree with that and I think, again, our strength is the ability to acknowledge when we have made mistakes and do something about them. That is what sets this country apart.

Ms. ROS-LEHTINEN [presiding]. Thank you, Mr. Delahunt. Mr. Payne.

Mr. PAYNE. Thank you very much, Senator and Ms. Bertini. I just want to make it very clear that I think the world is a much better place because of the United Nations. I think most of us agree that it would be kind of difficult without it. Of course, we also realize that there are certainly many problems that go along with it and the whole challenges ahead of us.

I see where the U.S. has continually reduced its assessment. Originally, I think the U.S. probably paid about 50 percent of the first years of the establishment of the UN and it has been reduced down to 32 percent. I see some of the 28, 25 percent and goals of 20 percent. How do you feel with the increasing problems with the U.S. abdicating a lower assessment? Are there ways that the other parts of the world could adequately pick up the shortfall or will the UN be limited with fewer resources?

Mr. WIRTH. I think, Congressman, that you are addressing an issue that you have been deeply involved with, and how do we address and move on that? I think obviously the UN has a role in that, but more as a catalyst and a cheerleader. It certainly does not have the resources to address it.

The World Bank has got some resources, but not a lot. I think what we have to do is really look at some very imaginative ways of thinking about different kinds of finance. I know you are very familiar with Tony Blair's proposal, the International Finance Facility ideas, the One Campaign, all items that you and the Black Caucus, I know, have been very involved with and it is extremely important that we keep that pressure up.

It may be that we are at a situation, as we are with UN reform, that there are now emerging a number of important political constituencies in the United States, ones that are more traditional constituencies of interaction than non-governmental communities and so on. We may see a different political constituency than we saw when Nelson Mandela and Graca Machel were here last week, working with many people on the Hill. It may be that there is a faith-based constituency in the United States that now can be much more aggressively organized, with deep concerns for the same things that we are talking about here. It may not have been as much involved in the political aspects of this to try to get an increase in appropriations, to try to get the U.S. to look more creatively at the new international financial instruments.

I think we have a real opportunity now. The Millennium Development goals give a framework that I think most of the world has agreed with. We at the UN Foundation are deeply committed to this. We think that this is a special time. If we miss this window, then I think we are really in a lot of trouble for our children and grandchildren down the line.

Mr. PAYNE. Thank you very much.

Ms. ROS-LEHTINEN. Thank you so much. Thank you, Mr. Payne. Mr. Lantos.

Mr. LANTOS. Thank you very much, Madam Chair. I will just ask one very simple question. But I think it is a question that needs to be asked to give our entire hearing an air of realism.

There has been a tremendous amount of discussion about the role of Kofi Annan and some Members of the United States Congress have called for his resignation. I think we would duck a very significant and very substantive issue if we did not deal with it.

So before I raise the question, let me state my own view. As other heads of state or heads of organizations, clearly the Secretary-General has made mistakes. But I think it would be singularly unfortunate if this call for his resignation would have the slightest chance of succeeding. On balance, the Secretary-General

has done an outstanding job. He is a unique public servant of global acceptance. His qualifications and his qualities are uniquely appropriate for leading a complex multi-national, multi-ethnic organization. And I, for one, would like to state for the record that I will oppose with all my might any attempt to replace Kofi Annan. I would be grateful if Ms. Bertini and Senator Wirth would comment on the issue of the desirability of Kofi Annan completing his term.

Ms. BERTINI. Well, it certainly is very desirable for the Secretary-General to complete his term. I talked to some of your colleagues last year when they started talking about these matters to try to say this does not make any sense. And where are you going with this and why? Because his leadership is particularly important to the UN at a very difficult time and particularly important now that reform is such a high item on the agenda. I am not talking necessarily about the management reform but the leadership in reform worldwide with the Heads of State Summit coming up in September, which is the one big opportunity to make a huge difference for the world. And to think about a vacuum in leadership is, I think, terrible.

Mr. LANTOS. Senator Wirth?

Mr. WIRTH. I think Ms. Bertini has it just right. It depends on what people want politically. You know, if there is a desire to sort of get a scalp on the wall and that is going to be an advancement for somebody, that is one goal, you know, and that is an understandable political goal. I think it is a very short-sighted goal. I do not think it accomplishes what most people want, which is a broad set of changes at the United Nations. I think we are at a time now where the Secretary-General leading this fray for reform, with everybody else kind of coming in to an overall strategy, if we want to get reform and change at the UN, we want to continue this flow and continue this pattern and continue this effort. Having a vacuum at the top would have the UN grind to a halt like any other institution when you get to a lame duck status. It happens in this Government.

You watch what happens when a new President or a President gets elected. There is a lame duck time, nobody does anything, nobody makes any commitments. The same thing would happen at the UN. It happens before a new Secretary-General comes in, things come to a halt. The whole reform thing will grind to a halt and then we have to start all over again in 2007, wait for somebody else to come in. You get to 2008, you know, and then everybody here will be saying, "Hey, wait a minute, what happened? Why did these things not occur? Well, wait a minute. Who is over here calling for this kind of short-term political gain?" So I think you go to very different windows. If you want a short term political gain, maybe it sounds good if you say it fast enough, let us get rid of the Secretary-General. But the long-term goal of strengthening this indispensable institution is the one I think we have to keep our eye on. And that means the Secretary-General ought to stay there and we ought to be supporting him in every way we can.

Mr. LANTOS. So I got two votes from that side of the table. Thank you, Madam Chairman.

Ms. ROS-LEHTINEN. Thank you, Mr. Lantos. We want to thank Ms. Bertini and, of course, Senator Wirth. It is always a pleasure

to be in your company. But we have Mr. Rohrabacher who wanted to ask a question.

Mr. ROHRABACHER. Just one question. Senator, you are well known for opposing the withholding of our funds from the UN in order to use that as leverage to gain reforms. Is that not just giving away all the leverage you have with someone who will not act? I mean, do people not act when you have leverage? Did we not bring about UNESCO's reform by withholding our funds from UNESCO for a number of years?

Mr. WIRTH. Well, we withdrew from UNESCO. We decided we did not like what was going on at UNESCO. That was a very specific and targeted effort. Now, you know, were the U.S. to decide that it wanted to withhold funds from other items, you know, to say let us withhold our funds from the Human Rights Commission until it changes, those are choices that you all can make in the appropriation process.

I think the lesson overall is a more profound one and a more complicated one. If we look at the time when we withheld funds before, Congressman, in the 1990s, and we would say the withholding of funds accomplished certain goals. Well, actually, it made it much harder for the U.S. to reach its broader goal, which was a reduction in our dues, which was a reduction in our share of peacekeeping. That was the central set of issues that we were trying to pursue at that time.

It was very, very hard to get done because other countries were looking at us and saying, "Hey, you are the biggest scofflaw in the world. You owe more than \$1 billion dues." You have peacekeeping well over \$1 billion in arrears and it was extremely difficult. It took the jujitsu of Helms-Biden and then just endless amounts of diplomacy at the UN to bring people on board and then finally to bridge this gap. It took as the final piece of this, I will say with some pride, a final private donation by Mr. Turner to bridge this gap. We had gotten in such trouble. You know, we had to bridge the gap with a \$31 million private donation from him to the United States Treasury to allow us to get caught up.

Now that is not a very sound way of doing business. It is a much sounder way of doing business, let us pay our dues in full, let us pay them on time, let us get rid of the Stockman Amendment, let us not be a scofflaw anymore. Let us be a good, upstanding citizen and with our own backyard cleaned up, then let us go and try to help the UN make the changes that ought to be made.

Mr. ROHRABACHER. And you think they will listen to us more—

Mr. WIRTH. Oh, absolutely they will. Of course they will.

Mr. ROHRABACHER. I have to say it is not my experience as a human being, giving up your leverage in order to get somebody to listen to you. It is usually when you have a little bit of pressure that you can apply by saying, I am willing to withhold my whatever, that they begin to really listen to you.

But that may be just a difference in view. I know when you were negotiating with various people about what you should do on certain bills, you never really, you were negotiating with them in good faith even though they had leverage or did not have leverage on you. But that is not the way I found it here in Congress.



Mr. WIRTH. Congressman, I would disagree with that. I always thought that the best leverage that you had was the leverage of the clarity of the case that you were making, the quality of the arguments that you made and the integrity of the way in which you approached it and that was probably the most important kind of leverage that you have in any kind of a negotiation. At least I would hope that that is the way it is.

Mr. ROHRABACHER. So when you were going into Conference Committee, you just naturally conceded the other position?

Mr. WIRTH. Oh, never.

Mr. DELAHUNT. All right, there you go.

Mr. WIRTH. When I was in the House, our arguments were always a lot more virtuous. I noticed that the virtue came on the Senate side pretty soon thereafter. [Laughter.]

Ms. ROS-LEHTINEN. They won it on the merits of the argument.

Mr. ROHRABACHER. Right, thank you very much.

Ms. ROS-LEHTINEN. Thank you, Mr. Rohrabacher and Ms. Bertini. I know you wanted to make some closing statements.

Ms. BERTINI. Thank you very much, Madam Chair. Two things I would like to say. One is just to circle back to Mr. Payne's question about the levels of assessment, if I understood it correctly, and the potential of other countries taking up any slack if the U.S. were to further decrease.

I would be one person who would hope the U.S. would not insist on going higher than it already pays, the 22 percent. There have been a lot of references to the 22 percent the U.S. pays. I think many people do not know, for instance, that Japan pays 19.5 percent and it is a continuing problem for them that they pay this much and, for instance, are not on the Security Council unless they happen to be, you know, elected for a term, because when so many decisions are made for peacekeeping, for instance, they feel like they are taxed without representation.

And so, whatever the U.S. does, there are then other countries that would react in different ways. And there is a fair amount of concern on their part, at least, the second largest payer, almost as much as the U.S., about their levels and their involvement.

Mr. PAYNE. Right, I just wanted to mention that—

Ms. ROS-LEHTINEN. Mr. Payne.

Mr. PAYNE [continuing]. Yes, it is actually based, almost, on the gross domestic product. And actually, we are really paying less than our world GDP. I mean, it is very clear that we are underpaying if you take GDP, even as opposed to the EU together, the assessment is also—we are really. And it would be great if you could just reduce your income tax. I would love that. Let us just keep reducing income tax, because we do not like to pay taxes, but it is not fair and even the way our taxes are going today it is not fair. Because the wealthy are getting the breaks and the poor people are not. So I would hope, too, that we would stop this ratcheting down, because we are really not fulfilling our true responsibility. Thank you.

Ms. ROS-LEHTINEN. Thank you, Mr. Payne. Thank you so much and thank you, Ms. Bertini and Senator Wirth for your testimony today. It is a pleasure to have you with us.

The Chair has been informed that Mr. Natan Sharansky is available. So without objection, we will permit him to testify for a few moments. Mr. Sharansky, if you could come to the witness table. And as all of us know, Mr. Sharansky, along with Mr. Ron Dermer, has written a thought-provoking book called *The Case for Democracy*, where he debunks three myths. The first is that freedom and democracy are not for everyone. Second, that an stable dictatorship is better than an unstable democracy, and the third is that even if the first two are true, it is not up to the free world to even think of imposing its will upon others. He has held many positions in the State of Israel, including head of Diaspora Affairs. He has resigned those responsibilities and he has a lot to say about the issue before us today, which is reform of the United Nations and will address the issue of the anti-Israel bias as part of the problem of the institution.

We welcome you, Mr. Sharansky as a witness before this very important topic that we will be presenting before the body, significant legislation dealing with reform of the United Nations. And you certainly have a lot of experience dealing with that body. So we welcome you today.

**STATEMENT OF NATAN SHARANSKY, AUTHOR, "THE CASE FOR DEMOCRACY"**

Mr. SHARANSKY. Thank you, Ms. Chairwoman. And thank you for such a great summary of my book. In three phrases you have said everything that is written there. And thank you for giving me this opportunity. I know it was not planned. In fact, I was going through the corridor and suddenly was given this invitation. It is an invitation which I cannot refuse, because the topic is very important and it is very dear to my heart, as a former human rights activist in the Soviet Union and as an Israeli citizen.

It is clear that the great aim of the United Nations was at least to strengthen peace and security in the world. And there is no way to strengthen security in the world without strengthening freedom and democracy in the world. Here, unfortunately, we often have a situation when the representatives of the countries or the representatives of the governments who do not permit their own people to vote, who do not permit their own people to express their opinion, are constantly voting in condemnation of a democratic country like Israel, condemning them, accusing them and violating human rights.

And this hypocrisy shows the heart of the problem of the United Nations. The United Nations, by its nature, is the conscience which can pull freedom for their citizens and of the countries which do not give any freedom. Perhaps not countries, but regimes, which do not give any freedom to their citizens.

When a country like Libya is the Chairman of the Committee on Human Rights, or when a country like Syria has a seat on the Security Council, it is clear what kind of decisions can be produced. I was only recently visiting the Human Rights Commission in Geneva, just when the next 6 weeks of sessions were beginning. Every year there are 6 weeks of sessions of the Committee on Human Rights. And I found out that equation of millions of people killed in Sudan is not on the agenda, and I was explained why there is

an agreement between different countries why this issue will not be raised.

The problem with human rights in Chechnya with 400,000 city grossly becoming a ghost city will not be on the agenda because there is an agreement between Arab countries and Russia that Arab countries are not supporting the resolution and anti-Semitism. Russia is not supporting the resolution on anti-Semitism and Arab countries are not supporting the idea of bringing the issue of Chechnya under discussion.

And so then we find out the only equation on which Members of Committee on Human Rights can agree is anti-terrorist events in Israel and that is the only problem of human rights which is discussed week after week. And the countries which are directly or indirectly supporting ethnic cleansing in Africa and other places are voting and condemning Israel as a major violator of human rights, and you can see a proportional station on Israel as a major violator of human rights is regularly accused by United Nations more than all dictators in the room. All dictators who do not permit their people to vote or to speak, who are responsible for killing of millions of people are not condemned by United Nations in the way democratic countries are condemned.

So I believe, by the way, I must be clear, I do not think that Israel should be beyond the criticism. Of course, Israel is a democratic country, can exist only from inside, outside, as every member of the United Nations should be under criticism. But without moral clarity, without moral clarity which presents the difference between fear societies and free societies, without clear policy of supporting more and more freedom everywhere in every country who is a member of the United Nations, it will be very difficult for the United Nations to fulfill their mission of strengthening security and peace in the world.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Sharansky, and we hope that the United Nations soon achieves that moral clarity so that they can see the difference between free nations and fear nations. Thank you so much, Mr. Sharansky, for your leadership on the human rights field.

Mr. SHARANSKY. Thank you very much. Thank you for giving me this opportunity.

Ms. ROS-LEHTINEN. The Committee is now adjourned.

[Whereupon, at 1:42 p.m., the Committee was adjourned.]

